

TONY BLAIR We Must Never Forget • **AL FROM** Clintonism Lives

THE NEW DEMOCRAT

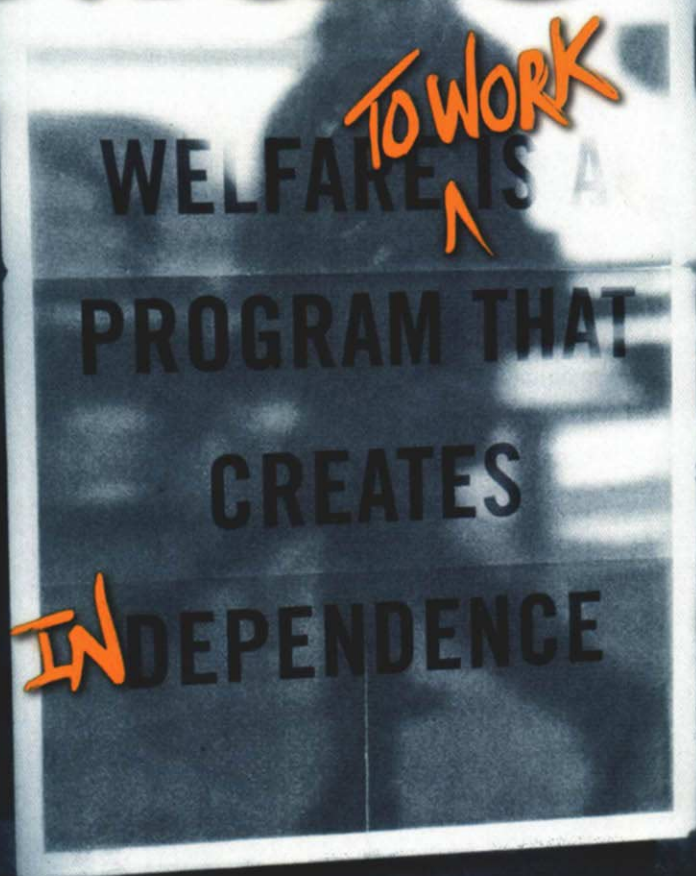
BLUEPRINT

IDEAS FOR A NEW CENTURY

After Welfare

The Next Steps

- ▶ **WILL MARSHALL**
Forge a new social compact
- ▶ **ANNE KIM**
How to finish the welfare revolution
- ▶ **BRUCE REED**
Let's put fathers to work
- ▶ **WENDELL PRIMUS vs. MICKEY KAUS**
Has welfare reform worked? A debate
- ▶ **DANIEL T. LICHTER & ISABEL SAWHILL**
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Politics after Sept. 11

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et us be grateful that ours is such a resilient nation. It can wage war and politics at the same time. We can prosecute a complex, overseas military campaign even while pursuing the next steps in our historic reform of welfare at home. And why not? The beginning of war is not the end of politics.

Thus we move in this issue to one of the biggest non-security issues of 2002: the welfare-to-work movement. In September, the welfare reform won by the Clinton administration in 1996 — arguably President Clinton's signature achievement — comes up for renewal. The debate will call out all the dogs, and those on the extremes will no doubt bark loudest.

But reasonable heads should again prevail, since it is hard to argue with success. Moving millions of welfare recipients off the welfare rolls and onto the payrolls may have been the single most important social advancement in America since the civil rights movement. The challenge now is not only to extend a good thing but to make it better. How do we put in place policies that help people get and keep jobs that pay well enough for us take the pledge that no American family with a working member will live in poverty? That's the challenge issued in these pages by Progressive Policy Institute President Will Marshall.

One way, argues PPI social policy director Anne Kim, is by maintaining the principle of "work first." People leaving welfare are to get jobs first, then seek training and other supports. That's what has made the shift from a culture of dependency to one of greater self-sufficiency take root. Another key in this broader battle to reduce poverty should be extending the work principle to men, says Democratic Leadership Council President Bruce Reed. The best mechanism, he writes, would be laws that force fathers to pay their child support obligations by getting jobs. The last round of welfare reform required mothers to work. Now it's the fathers' turn.

Meanwhile, there is the war on terrorism. In our "New World, New War" section, British Prime Minister Tony Blair eloquently makes the case for why we fight — and why we must never forget Sept. 11. Beyond crushing the terror networks, he says, we must also reach out to the Arab street by encouraging the voices of mainstream Islam to stand up to the extremists. On the home front, Tara O'Toole, director of bioterrorism studies at Johns Hopkins University, argues for a \$4 billion down payment to reform our public health system.

For decades we've heard about fighting two-front wars. Now we have one, at home and abroad, with a third front in domestic politics. As united as we are in the war against terrorism, we can still be adversarial in our legislative battles. In the upcoming one over welfare reform, New Democrats go into the trenches with a huge advantage: Their way has already been proven right.

—Peter Ross Range

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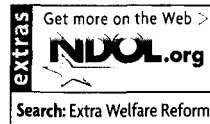
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"NDOL Extras"

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Intelligence

New Politics of Evasion

Though Bush's standing is high, Democrats should not concede "toughness" issues to Republicans. Here's why.

by **The Editors**

In the midst of a war on terrorism, it's obvious that national security — along with personal security — is back as an overriding issue in American politics. With an immensely popular Republican commander-in-chief directing the war effort, and against a backdrop of lingering public suspicions that Democrats are not "tough enough to govern" in times of national peril, the new atmosphere obviously poses a special challenge for Democrats.

But many Democrats don't see it that way, especially after the near-sweep Democrats won in the off-year elections in November.

The argument we increasingly hear in Democratic political circles in Washington is that so long as they do not overtly challenge the president's war leadership, Democrats can win by going back to the pre-Sept. 11 agenda of a Medicare prescription drug benefit, a Patients' Bill of Rights, a minimum wage increase, and opposition to Social Security reform.

Indeed, the argument goes, Democrats might actually make big gains in the 2002 elections, because their championing of voter-pleasing social spending is no longer inhibited by budgetary limitations, and because a Republican administration will be held responsible for a flagging economy.

Supporting this mood of optimism is a widely circulated analysis by Democracy Corps, a joint project of political strategists James Carville, Stan Greenberg, and Bob Shrum. It suggests that "voters are moving toward a decision framework for next year — balancing the president's security focus with the Democrats' focus on the economy and people — that strongly favors Democratic candidates for office."

If this argument sounds familiar, it's because it was the reigning Democratic strategy of the pre-Clinton years: con-



ceding the "toughness to govern" issues of national leadership to Republicans, while seeking to trump them with the "compassion to care" issues of domestic government.

The weakness of this strategy, today as yesterday, is that voters may well choose Republicans to lead them, and Democrats to care for them from the sidelines. That was the

central insight of *The Politics of Evasion*, the influential 1989 New Democrat monograph by William A. Galston and Elaine C. Kamarck that explained Democratic weakness in presidential contests. Their analysis is equally true now.

Fresh public opinion research by New Democrat pollster Mark Penn (see p. 71) suggests (1) that issues of national and personal security are vastly more important to every segment of the American electorate than at any time in recent history, and (2) that Republicans, and especially Republican President George W. Bush, have a more decisive advantage on these issues than at any time since the Reagan administration.

This return to pre-Clinton perceptions of Republican “toughness” and Democratic “compassion” did not occur overnight, and did not first appear after Sept. 11.

Indeed, in the 2000 elections, Republicans regained a significant partisan advantage over Democrats on issues of national security, crime, personal responsibility, and values generally.

This advantage is now extending into areas like economic leadership and fiscal discipline, where Democrats in 2000 still enjoyed a boost from the Clinton administration’s record.

It’s possible, as Democracy Corps argues, that in 2002 voters will favor a division of labor in Washington in which a Republican president deals with security issues while a Democratic Congress keeps the home fires burning with new initiatives on health care, education, and other domestic matters. But this same division of labor would obviously position Democrats very poorly for the 2004 presidential election, where security issues will likely be crucial, and for the party’s long-term governing prospects as well.

Penn’s analysis shows a particularly alarming gap between President Bush and congressional Democrats on national leadership issues, including the fiscal and economic issues on which Clinton-era Democrats did so well. Swing voters (defined as those who are not strongly inclined in either party’s direction looking forward to the 2002 elections) trust the President more on economic growth by 20 percent; on fiscal discipline by 23 percent; on “asking people to give something back to their country” by 25 percent; on fighting crime by 30 percent; on national security by 46 percent; on fighting terrorism by 57 percent; and on strengthening the military by 62 percent.

These same swing voters, it should also be noted, are the least likely to respond positively to a traditional Democratic message of expanding government to address domestic problems like health care and education, and are often offended by the polarizing rhetoric that typically accompanies it.

But the important thing to remember is this: Democrats do not have to agree to a division of labor between the parties on clusters of issues, or return to the days when Republicans were conceded an overwhelming advantage on issues of security, safety, and values. Just as in 1992 and 1996, Democrats can follow the New Democrat strategy of asserting

a distinctive, progressive position on every issue, neutralizing Republican advantages on “toughness” issues and then maximizing Democratic advantages on “compassion” issues.

This would offer Democrats a message that will work for candidates at every level from the presidency on down, and in 2004 as well as in 2002.

The smart strategy for Democrats, and the right agenda for the country, point in the same direction: a comprehensive message of security, prosperity, and responsibility that offers Americans a full-throated progressive alternative to Republican conservatism across the board (including the issue at the center of this issue of *BLUEPRINT*, welfare reform).

With respect to the war on terrorism and homeland security, this means Democrats should not simply endorse the President’s decisions and then change the subject, but should provide their own compelling rationale for bold actions to protect Americans from terrorism at home and abroad.

On the issue of the struggling economy, Democrats should not simply fight at the margins for help to those elements of the population that Republican policies leave behind, but should embrace a broad, crystal-clear agenda for restoring the long-term economic growth of the 1990s.

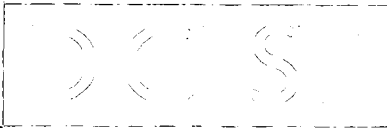
And on the broad theme of civic and personal responsibility, Democrats should not simply snipe at Republicans for their hostility to government, but should aggressively promote an agenda that links personal responsibility to our mutual responsibilities to each other as citizens, in part by asking Americans to give something back to their country through national service and other avenues for civic action.

Penn’s new survey suggests this kind of comprehensive message could not only help Democrats, but could also expose the fundamental hollowness of Republican conservatism. As Penn notes: “The Republican philosophy of ‘no-government’ is in ruins, as huge majorities support an activist government that promotes economic growth and gives people the tools they need to succeed.” So long as Democrats concede Republicans a big advantage on the most important issues of national and personal security and responsibility, this potential breakthrough for Democrats will be thwarted.

The post-Sept. 11 political climate does indeed offer Democrats an unexpected chance to embody a new national commitment to the New Democrat values of opportunity, responsibility and community. But taking advantage of this crucial moment in American politics must begin with an honest assessment of Democratic strengths and weaknesses on the full range of issues facing the country, and a fierce determination to face them all.

This is no time for a return to the old Democratic politics of evasion. It’s high time for a recommitment to the New Democrat politics of national purpose. ●

BLUEPRINT’s
cover package
on **Welfare
Reform** begins
on page 16.



School reform bill aces its final

New federal law bears New Democrat imprint. *by Tom Mirga*

The No Child Left Behind Act, scheduled for signature by President Bush in January, marks the biggest shift in U.S. education policy in nearly 40 years.

Passed by Congress in December, the school reform bill has a New Democrat-inspired history. It bears the unmistakable imprint of the "3 Rs" bill championed by Senate New Democrats Joe Lieberman, Evan Bayh, and Mary Landrieu and House New Democrats Cal Dooley, Adam Smith, and Tim Roemer. Both their bill and Bush's education plan used the Progressive Policy Institute's 1999 proposal for revamping federal education aid as their blueprint.

"This is a historic break from the tired education debates of the past, in which Democrats said, 'Spend more money' and Republicans said, 'Get the federal government out of the way,'" said Bayh, the chairman of the Democratic Leadership Council. "From now on, we will no longer measure success in terms of how much we spend. Instead, we will focus on how much our children learn."

The new law rewrites the basic bargain between Washington and the states on precollegiate education. In exchange for a big boost in federal aid



GRADING SCHOOLS: Under the new law, schools will be rated on the basis of their students' test scores.

and more freedom to spend it as they see fit, the states must deliver continuous improvement in student achievement, as measured by annual reading and math tests in grades 3 through 8.

The new law also:

- Allows parents of children in failing schools to transfer them immediately to either charter schools or other public schools in their school district. It also boosts funding for charter schools.
- Allows parents of children in chronically failing schools to use up to \$1,000 in federal money for private tutoring.
- Gives local school officials broad

authority to replace the staffs and curricula of schools with prolonged records of failure.

- Requires states to place a highly qualified teacher in every classroom by 2006.
- Channels the bulk of new education spending toward the poorest school districts.

The law "reflects the best thinking of both sides," said Lieberman. "I am particularly proud of the role that we New Democrats played in shaping the framework and ideas behind this reform plan, which I believe will help catalyze revolutionary changes in our public schools if it is properly funded in the years ahead." ♦



DIGIgov

Best practices from the world of online government

It's been nine years since government went online. During Phase 1, agencies created passive Web sites that offered information and little else. In Phase 2, they began allowing users to interact with bureaucracies, for example by renewing a driver's license.

A new report by the Progressive Policy Institute says **it's time to begin Phase 3 of**

e-government. "It means putting people in touch with solutions to their own problems," says the report, "not just giving them access to the agencies' own programs or services."

According to the report's authors, **Andrew Leigh** of Harvard University and **Robert D. Atkinson** of PPI, all levels of government need to fundamen-

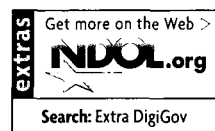
tally change their online outlook, "with the focus being placed on the needs of citizens/customers."

"This requires presenting the government's Web presence in ways that are intuitive and easy to use, and without jargon, confusing program names, and acronyms," they

write. "It means focusing on information and transactions people want, rather than information government wants them to have."

"Breaking Down Bureaucratic Barriers: The Next

Phase of Digital Government," is available on the PPI Web site, www.ppionline.org.



American dream with...

Rodney Carroll on welfare reform

BP > You talk frequently about the American dream in connection with the mission of The Welfare to Work Partnership. Could you elaborate?

RC: When I was growing up, I remember my teacher explaining how people wanted to come to America to have the opportunity to live a better life. And part of that opportunity was the chance to earn a living. There would be no guarantee of anything. But if you had an idea, there was no law to prevent you from, say, opening a store or doing whatever you wanted to do. When I talk about the American dream and the partnership, I'm talking about that opportunity and how some people didn't see that they could do anything other than live on public assistance. Our job at the partnership is to help bring those people to a point where they have the chance to realize their talents and desires.

BP > We are fighting a war and the economy is in a recession. What do your group's business partners tell you about the availability of jobs for people making the transition from welfare to work?

RC: We're very concerned, yet we're finding that businesses are still looking for people. We did a survey in October and found that about half of our business partners said they're still looking for entry-level workers – 57 percent. So we're optimistic. But in fact, there has never really been a job shortage. There's been a skill shortage. And part of the partnership's goal has been to uplift the skills of people trying to transition from welfare. If we do that, there will always be a business looking for skilled, motivated people.

BP > What are some of the more promising programs that are helping people obtain skills and overcome barriers to employment?

RC: Today paralegals do a lot of the work that young lawyers did 10 or 15 years ago. Now there's a gap and law

firms need someone to do things like go to the law library and pull out material. So the partnership went to Chicago law firms and ultimately pulled colleges together with the firms to put together a curriculum. There was no guarantee that the welfare recipients would get jobs from there. But as it turned out, not only did the Chicago project pan out, we've had success starting law projects in New Orleans and Miami. The new workers never would have believed that they would have the opportunity to work at a law firm with marble foyers and mahogany paneled rooms.

BP > What are some of the challenges as we look toward the coming reauthorizing of welfare reform?

RC: The first challenge is that people don't raise the victory flag when we're only halfway through the race. I'm sure people are going to say, "Hey, we did a great job and have transitioned half the people, and so we can take all this money out." That would be a shame because many of the people who have transitioned from welfare are just barely making it. And there are still millions more people who haven't transitioned yet.

BP > Do you have any advice to offer elected officials and policymakers as they think about reauthorization?

RC: The "work" part is critical to the "welfare to work" dialogue. So talk to as many businesspersons as possible. They will tell you what they're going to need to start or continue to hire people from welfare. I don't think businesspersons had much involvement in the 1996 leg-



RODNEY CARROLL is the president and chief executive officer of The Welfare to Work Partnership, a voluntary association of more than 20,000 companies committed to hiring welfare recipients.

islation. But they certainly have a lot to say now.

BP > Do you have any closing thoughts to share?

RC: Our business partners are looking forward to the reauthorization of welfare reform. We have a lot of data and a lot of success stories to share. We also have plenty of failures to talk about. But most important, we have ideas about why reform didn't work as well as it could have, and how welfare-to-work efforts could be made better. And that brings me back to your first question about the American dream. As I watched the television footage of the Marines landing in Afghanistan, I was struck by how they were putting themselves in harm's way to protect us and our American way of life. And certainly, a big part of the American way of life is the ability to go out, work, and earn an honest wage.

— interviewed by Victoria Lynch

Mark Warner and Jim McGreevey

New Democrats take the reins in New Jersey and Virginia.

by Ed Kilgore

pair of New Democrat rising stars, Jim McGreevey of New Jersey and Mark Warner of Virginia, were slated to be sworn in as their states' chief executives in January. Both scored convincing wins in last November's gubernatorial contests with campaigns aimed squarely at the progressive center of the electorate.

McGreevey, most recently the mayor of Woodbridge, N.J., and a member of the Democratic Leadership Council's Local Elected Officials Network, trounced Republican Bret Schundler in the race for the governorship of that state. He led a Democratic ticket that also reclaimed control of the state Assembly and fought to a tie in the state Senate.

Warner, a Virginia businessman who was the first chairman of the Progressive Policy Institute's Technology & New Economy Project, coasted past Republican Mark Earley in a state that the GOP thought it had sewn up for good. His victory was a rebuke for the term-limited Republican incumbent, Jim Gilmore, who shortly thereafter resigned as chairman of the national Republican Party.

Both New Democrats' campaigns hold lessons for the national Democratic Party in the run-up to the 2002 elections.

Warner pursued a consistent, statewide message of New Economy growth. He argued that improving education, job training, transportation, and overall quality of life could bring "knowledge jobs" not only to the Northern Virginia suburbs, but to depressed rural areas of the state.

Warner also staked out centrist ground on gun ownership and other cultural issues that Virginia Republicans had used successfully against Democrats in the past (for instance, his blaze orange "Sportsmen for Warner" bumper stickers were the most visible element of his effort to neutralize GOP claims that Democrats are hostile to hunting and fishing). Warner also used his background as a successful business executive to blunt Republican assertions that, as a Democrat, he could not be trusted to hold the line on taxes or to run government efficiently.

"Government can't solve all our problems," he said during his campaign. "It will never replace family or community. But as we look back to the great struggles of the 20th century, there are many examples of when problems required government solutions. And when progress was made, that progress was almost always led by Democrats."

Much like Warner, McGreevey worked hard early in his campaign to neutralize Republican claims that any Democratic governor would ultimately raise taxes — a particularly potent argument in New Jersey, where a big tax increase under the last Democratic governor, Jim Florio, led to a landslide Republican victory in 1993.

When Republicans nominated Schundler, a conservative icon, to run against McGreevey, the Democrat quickly and successfully appealed to the moderate Republicans and independents



Gov. Mark Warner of Virginia

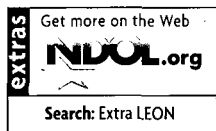


Gov. Jim McGreevey of New Jersey

who made it possible for moderate Republican candidates to win four of the previous five gubernatorial races in New Jersey. Liberals and moderates voted strongly for McGreevey, and according to exit polls he won 52 percent of the state's independent vote.

Throughout his campaign, McGreevey described himself as a centrist who would emphasize pragmatism over ideology.

"I'm in a hurry to make New Jersey better," he said. "I'm never going to slow down or ignore ways to make our lives better, and I'm going to reach out to everyone — Democrats, independents, and Republicans." ●



Shirley Franklin

When Shirley Franklin decided to run for mayor of Atlanta, her former boss, ex-mayor Andrew Young, warned her: This job is challenging. It is exhausting. If it's not something you really want to do, you just shouldn't do it.

Now the city's newest mayor — and the first woman elected to the post — Franklin is about to discover if she is up to the challenge. But having worked as city manager under two other past mayors — Young and Maynard Jackson — Franklin brings an insider's perspective to the table that her aides say will help her get the job done.

"The people of Atlanta want a mayor who is hopeful but also has the background of making tough decisions and building coalitions," says Imara Canady, Franklin's communications director.

Franklin has made government effectiveness and integrity her top priority. She pledged that one of her first acts as mayor would be to implement an independent audit of all city operations and contracts and to report the results within 100 days of taking office. She also promised to make a "rolling performance-management audit" part of the city's annual budget process.

A founding board member of Atlanta's Drew Charter School and a trustee of Spelman College, Franklin also plans to emphasize education during her administration. "I will not hesitate to become involved in the educational process," she said, "as an advocate, as an innovator, and as a facilitator." — *Kate Herman*



Mayor Shirley Franklin
Atlanta

Randy Kelly

Partnerships are the foundation of a successful city, says New Democrat Randy Kelly, the new mayor of St. Paul, Minn.

"Look at community policing," notes Kelly, who earned a reputation as a coalition builder during his 27-year career in the state Senate. "Having police work hand-in-hand with the people is a lot smarter than simply being a reactive force in the community."

Kelly plans to aggressively promote his city, whose economy and image rebounded under his predecessor, Norm Coleman. His priorities include downtown development, transportation, and school improvement.

On education, Kelly plans to create a cabinet-level position to work exclusively with St. Paul's school system — a partnership concept modeled on a similar initiative by Denver's New Democrat mayor, Wellington Webb.

"We have more higher-education institutions per capita than any other city except Boston," says Kelly. "We want to partner with those communities to add tremendous value to our K-12 school system."

Kelly has also set a goal of seeing 5,000 new affordable housing units built in St. Paul in the next four years, through a partnership of government, foundations, and business.

Reflecting on the events of the past few months, Kelly notes that "it is a very different job that I will be assuming than the one I began running for over a year ago."

"With the economy softening and the war on terrorism," he says, "we have some very different dynamics to deal with over the next few months and years." — *KH*



Mayor Randy Kelly
St. Paul, Minn.

Aaron Reardon

Facing an \$800 million budget shortfall and the highest unemployment rate in the nation, House Democrats in Washington state recently selected New Democrat Rep. Aaron Reardon to chair a select committee on competitiveness.

Reardon, a former economic development consultant from Everett, Wash., was the chief architect of a 2000 state law that provided job retraining for thousands of dislocated workers statewide, including many affected by layoffs at Boeing aircraft.

"It's not government's responsibility to create jobs," says Reardon. "It is government's responsibility to create opportunity so the private sector can create jobs."

The competitiveness committee will work with Gov. Gary Locke's Competitiveness Council to develop legislation aimed at improving Washington's business environment.

"My goal is to improve our state's business climate so we are able to recruit new business and retain those businesses who started here," says Reardon. "In addition, it is important that the jobs created are good, family wage jobs [that] increase opportunities for middle class Americans."

Reardon has also been meeting with labor representatives and leaders from a variety of industries to identify opportunities and challenges facing Washington businesses.

"I've met with companies from Boeing to Microsoft to every little start-up and midsize manufacturer you can imagine," Reardon says. "They all say the same thing: Fix the transportation problem, invest in higher education and training, and create the infrastructure necessary to accommodate growth. It is time to get Washington moving again." — *Andrea Wolfson*



Rep. Aaron Reardon
Washington state

A slow and steady revival in San Diego

With philanthropist Sol Price's help, the City Heights district is enjoying a renaissance.

by **Kate Herman**

On any given morning in San Diego's City Heights district, more than 100 children giggle and shriek as they play in the toy-strewn Head Start playground. Passers-by might overhear them chattering in several of the neighborhood's 30-plus languages. Such a cheerful scene makes it tough to believe that just 10 years ago the city council declared a state of emergency in this same neighborhood due to its high crime and dilapidated housing.

Since then, City Heights — a posh shopping district in the 1960s — has been brought back to life thanks to an innovative partnership between the city, San Diego County, and local philanthropist Sol Price. Community buildings in striking Southwestern colors, a townhome development under construction, new schools, and numerous shops are the heart of a holistic neighborhood improvement scheme that reflects New Democrat principles of opportunity, responsibility, and community.

"It's no longer a problem of people moving out of City Heights — it's about controlling the numbers of people coming in," says Murray Galinson, chairman of the board of San Diego National Bank and a board member of Price's philanthropic organization, Price Charities.

Price, 86, a retired lawyer and co-

founder with his son, Robert, of the renowned Price Club wholesale chain, is widely credited with the neighborhood's comeback. Price Charities has donated more than \$40 million toward the \$140 million improvement project. In addition to the housing development, future plans include a health clinic and an office building for nonprofit groups.

One of the most notable features of City Heights' new police substation is its large picture windows, which are intended to invite interaction between cops and citizens. At the library, adults use the Internet to keep in touch with far-flung families — some on the other side of the world — while children read in cozy, overstuffed chairs by a gas fireplace.

The project's comprehensive approach to community rejuvenation appeals to residents and city planners alike. The rehabilitated five-block neighborhood includes a community resource center; a performing arts building; a public pool, tennis courts, and playgrounds; and three schools.

"In my 80s, I finally got smart enough to say, 'I've got to do this all in one place to do it right,'" says Price, who helped rehabilitate Los Angeles neighborhoods destroyed during the Watts riots in 1965. He later worked on community rehabilitation projects in

Houston and other cities before turning his attention to City Heights, near his boyhood home.

This time, Price hasn't simply opened his wallet. He has been an active participant in the community's revitalization.

"You cannot do this kind of project



by simply giving a grant and not being proactive and involved," Price says. "You need [business] people with discipline to back it up, and it also takes a partnership with the public sector."

Price first became involved in City Heights' revitalization in 1992, when he lent San Diego \$3 million to jumpstart the construction of a local police station. At a typical bureaucratic pace, such a project could have taken more than five years to complete. With Price's loan, the station — which includes a recreational facility open to the public — was up and running in 1995.

Price also came up with novel ways to make the 116 new townhomes going up in City Heights more affordable. His charitable group will maintain ownership of the land that the homes are being built on and will sell only the "improvements" — meaning the structures themselves. Buyers can opt for an



C'MON IN, THE WATER'S FINE: Community pools and other amenities are drawing families back to City Heights in large numbers.

almost unheard-of 50-year mortgage at only 5 percent interest.

"For most people, it is not easy to get into homeownership," Price says. "By giving owners that extended pay-out period and what we consider to be very modest interest rates, we're trying to make it that much easier."

In addition, homebuyers will be able to "pay" part of their mortgages by performing community service, which can be completed by any member of the purchasing family. In a city where the median cost of a single-family home is \$360,000, the pay-through-service option can bring the cost of a three-bedroom townhome down to \$140,000.

The townhomes will be ready for purchase by the area's lower-income families in October 2002. They will have garages, landscaped yards, and access to on-site child care. Another 34 rental units will be made available to the city's

lowest-income families. While Price recognizes that every community needs rental housing for its lowest-income families, he says nothing solidifies a community more than a solid base of homeowners. "Ultimately, if you want a stable neighborhood, you need to give people ownership of something they can be proud of," he notes.

The City Heights revitalization plan also includes a strong education component. The neighborhood now has three public "model schools" designed to give new teachers an intensive study of the challenges of inner-city areas. Price likens the schools to teaching hospitals and their teachers to medical residents.

"There ought to be a much greater commitment on the part of higher education to generate teachers with an in-depth understanding of the problems of inner-city children," Price says. "For starters, it is clear that kids in the inner

city don't have nearly the level of parental involvement in their education as suburban kids do."

Price points to a recent success story as proof that this heightened awareness works: In 2001, 10 students from Hoover High School in City Heights were accepted to the University of California-Berkeley.

With City Heights' population growing rapidly, Price hit upon a creative way to deal with rising school enrollments. He found abundant space in the museums of nearby Balboa Park, which were seldom used during weekdays. Now, classes take weeklong field trips to the museums on a rotating basis, immersing themselves in the museums' resources and maximizing available space in the neighborhood's schools.

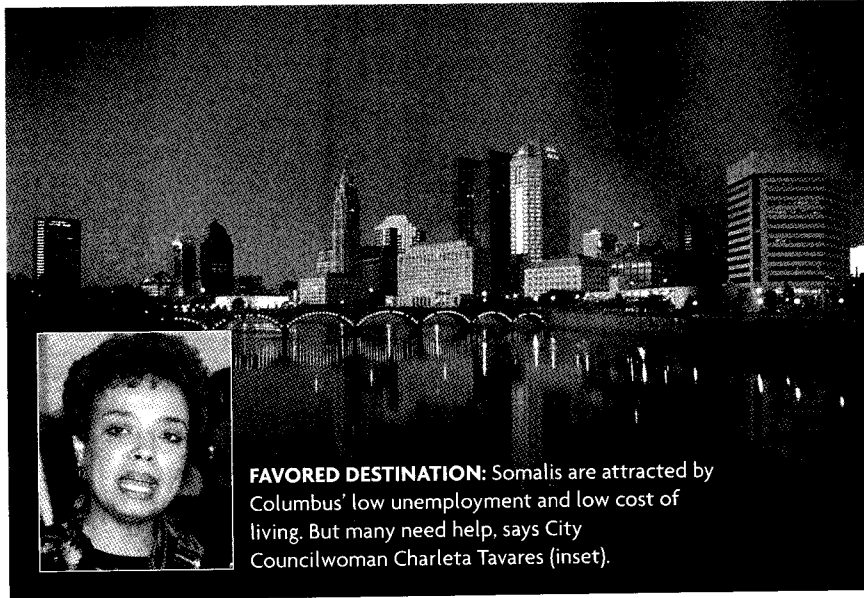
At about \$1,000 per student per year, Price says, the museum program is "not cheap."

"But to a great extent, it is money we [Price Charities] would have given to the museums anyway," Price reasons. "This way, the museums benefit even more by developing long-term members in these kids, many of whose parents also are visiting the museums for the first time."

The results of this community-based education have been overwhelmingly positive, with reading scores up and behavior and attendance patterns improving. And with museums located in every major U.S. city, Price says, this initiative is replicable nationwide.

Areas immediately adjacent to the redevelopment project's five-block perimeter have begun to change for the better as well. Storefronts in these places show signs of improvement, as though their owners want to keep up with the new kid on the block. That reaction is exactly what Price wants.

"There is a feeling around the core village that this is finally a real neighborhood," says Price, who happily greets the children on the Head Start playground each time he visits. "Six, eight blocks away, it may be a different story. But they're starting to catch on." ♦



FAVORED DESTINATION: Somalis are attracted by Columbus' low unemployment and low cost of living. But many need help, says City Councilwoman Charleta Tavares (inset).

From Mogadishu to the Midwest

Columbus, Ohio, is helping Somali immigrants gain a toehold in the economy. ▶ by **Kate Herman**

Most Americans associate Columbus, Ohio, with state politics and Big Ten football. But few would guess that this Midwestern capital has become a magnet for Somali immigrants to the United States.

The eruption of civil war in Somalia in 1991 sparked a wave of immigration to America. Lured by word of mouth about Columbus' low unemployment

and low cost of living, an estimated 16,000 Somalis are now living in the city and surrounding Franklin County — the nation's second largest concentration of newcomers from that country.

Many of the new arrivals work in service or manufacturing jobs, and some have opened businesses catering to their countrymen. But the transition to life in America has been harder for others.

"Unfortunately, a lot of these women

are coming in without husbands — many were killed in war," explains New Democrat City Councilwoman Charleta Tavares. And those who arrived after August 1996 aren't eligible for cash welfare under the Temporary Assistance for Needy Families (TANF) program.

During the past year, an innovative collaboration between local churches and social welfare programs has helped nearly two dozen Somali women become certified child-care operators, giving them an income and giving their friends and relatives child-care options.

"These programs allow them to be independent and employed," says Tavares, a former state legislator. The program also benefits Somali working mothers who need such services, she adds. "Because some of our immigrant populations have cultural and even dietary differences, it is important that those traditions are respected and supported by a child-care provider."

Tavares, who chairs the City Council's Health, Housing, and Human Services Committee, adds that employment opportunities alone cannot help new immigrants and other needy families continue to move in the right direction. Health care, child care, education, and other support services, she says, are absolutely critical.

"As a policymaker, that is what is so important to me," she explains. "We can't forget that these services are necessary — right up until people have officially moved up from poverty level to steady employment. If we pull out too soon, people will fall backward instead of moving forward." ♦

TIMELINE

A brief history of **NATIONAL AND COMMUNITY SERVICE**

▶ 1988

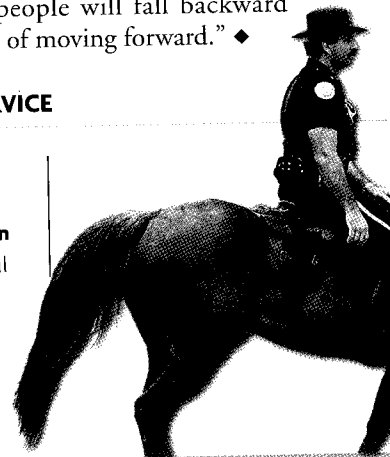
Democratic Leadership Council calls for creation of a **national Citizens Corps**, in which young adults would perform a year of community or military service to obtain college, job training, or housing aid.

▶ 1988

City Year, a community service program for young adults, is founded in Boston. By 2001 it would expand to 11 cities and two states.

▶ 1989

New Democrats Rep. **David McCurdy** and Sen. **Sam Nunn** introduce national service bill based on DLC proposal. Although it dies in Congress, the bill lays the groundwork for future gains.



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INTERNET TOOLS >>

Welfare Information Network

This foundation-supported Web site, updated several times weekly, is a treasure trove of information about welfare, including statistical data, policy analysis, legislative updates, and best practices.

• www.welfareinfo.org

U.S. Commission on National Security/ 21st Century

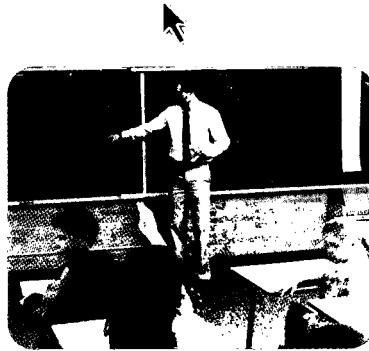
The 14-member bipartisan panel, more commonly referred to as the Hart-Rudman Commission, warned in 1999 that many Americans were likely to die in terrorist attacks on U.S. soil in coming years. Its final report, released in March 2001, recommended the creation of a national Homeland Security Agency much like the one that evolved after the Sept. 11 attacks.

• www.nssg.gov

Strategic Forecasting

This Texas-based intelligence company offers succinct analyses of the latest military, economic, and political developments worldwide. Free services on its Web site include an up-to-the-minute news ticker and a frequently updated "crisis center."

• www.stratfor.com

**Ending Teacher Certification as We Know It**

The nation's system for deciding who can and cannot teach bars skilled professionals from classrooms simply because they haven't taken undergraduate-level pedagogy courses of dubious value.

In an iconoclastic new report for the Progressive Policy Institute's 21st Century Schools Project, University of Virginia education professor Frederick M. Hess proposes a drastic overhaul of teacher certification. He would boil down the requirements for getting a teaching license to three basics: a college degree, a criminal background check, and an examination of essential skills and content knowledge varying by grade level and academic subject.

"Despite the absence of widely accepted pedagogical standards," says Hess, "aspiring teachers are forced to run an academic gauntlet of courses, requirements, and procedures created by accredited training programs that vary dramatically in quality. The prospect of spending substantial time and money on preparation and courses of study that may bear little relation to what it takes to be a good teacher discourages some talented people from entering the profession."

Under Hess' plan, school districts and principals, like employers in other professions, would make teacher hiring, retention, and promotion decisions based on a job applicant's overall qualifications and performance. In addition, community colleges, nonprofit groups, and the private sector would become more engaged in helping teachers hone their skills.

Hess' report is available in the Education section of the PPI Web site, www.ppionline.org.

> **The Three New Basics of Teacher Certification**

- possess a college degree
- pass a criminal background check
- pass a test measuring essential teaching skills and mastery of subject matter

> **1990**

Progressive Policy Institute urges creation of a **national Police Corps** that would offer college

aid to young adults who agree to serve as community police officers for four years.

> **1992**

Arkansas Gov. and DLC Chairman **Bill Clinton** makes "reciprocal responsibility," epitomized by national service, a key plank in his campaign for the Democratic presidential nomination.

> **1993 - 1994**

President Clinton signs legislation creating the **AmeriCorps** national service program and the national **Police Corps**.

> **2001**

In wake of Sept. 11 attacks, Sens. **Evayn Bayh** and **John McCain** introduce bipartisan legislation to expand AmeriCorps from 50,000 to 250,000 volunteers and dedicate half of all new funding to domestic security and public safety.

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Fernando Botero, artist

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Time for bold strokes

artime presidents have come forward with some of our most far-reaching policy initiatives at some of our most crucial times. Lincoln created a transcontinental railroad and a college system during the Civil War;

Roosevelt proposed the GI Bill of Rights at the height of World War II; Truman initiated the Marshall Plan following the dev-

astation of Europe; and Eisenhower, faced with recession, started the national highway system in the throes of the Cold War. President George W. Bush could now make such a fundamental breakthrough.

Once again we are living in extraordinary times. We are fighting a war and fighting a recession. While our military response to our challenges has so far been successful, our domestic policies are inconsistent and our foreign policy is still a work in progress.

The problem is that the Congress is split on the role of the government in an advanced, democratic, market economy. At the same time, neither party has raised its sights in order to bring forward possible solutions on the scale of the problems that we are facing in areas such as education, public infrastructure, energy dependence, terrorism, and world poverty.

These challenges involve fundamental questions about the role of government. But we must be flexible enough to understand that in a war the people need more government than in peace, and in a recession the people need more government than in prosperity. Only an active and pragmatic government can make Americans feel safe, and that should be the basic approach to a new, long-term economic package. We need to make the following permanent fixes to our long-term problems:

Infrastructure. A recent report by the American Society of Civil Engineers indicated that America's infrastructure needs over the next five years will be \$1.3 trillion simply to reach acceptable standards. It would take \$127 billion to bring our schools into good overall physical condition. Our airports were in need of \$40 billion to \$60 billion before the terrorist attacks. Roads will require \$350 billion and bridges, \$80 billion. A comprehensive 10-year \$500 billion infrastructure program, aimed at improved safety as well as providing much needed facilities, would improve confidence, as well as improving education and productivity.

Railroads. We need a more balanced transportation system, and we need to give traveling Americans and foreigners a viable alternative to an overtaxed airline system. High-speed rail is

safe, comfortable, reliable and swift. It should be an integral part of our transportation system.

Energy independence. After reducing our dependence on oil imports from unstable foreign sources after the 1970s, America's demand for SUVs and pickup trucks has driven oil imports up again, with a quarter of that coming from the Persian Gulf. To reduce that dependence we should

slowly but significantly raise fuel economy standards for cars and trucks, increase incentives for buying fuel-efficient cars with an energy or gasoline tax, and relax domestic drilling restrictions.

Foreign economic assistance. The United States should call for a new Bretton Woods Conference to get rich countries — and their private sectors — to help poor countries establish the economies needed for democracy to grow.

How we pay for these big initiatives will depend on our priorities. First we can amend last year's \$1.3 trillion tax cut by taking out hundreds of billions of unnecessary items such as the repeal of the inheritance tax, which would free up \$400 billion, and still leave a substantial tax cut for individuals.

We can also leave behind some of the more egregious items from the House-passed "stimulus" plans such as the repeal of the corporate Alternative Minimum Tax and its reimbursement for prior years at a cost of tens of billions of dollars. And we can issue federal debt or guarantees, together with a broad federal revenue sharing program, for part of the infrastructure programs.

Second, these investments should not all come from the government. For example, private investment could be a major part of a railroad program.

We have a strong economy and a very strong financial system. With the lowest debt-to-GDP ratio of any developed country in the world, we could issue \$1 trillion of low-interest federal debt and maintain a conservative 40 percent ratio of debt to GDP. The fear of inflation is a myth; we are more likely to face deflation than inflation. The creation of millions of jobs, as well as the improvement of our national productivity as the result of such a program, will strengthen our economy and improve our standard of living.

The basic question need not be whether we can do anything like this and whether we can finance it. We can. The question is whether either of our parties will come forward with a plan to do so. ♦

> **Felix Rohatyn** is president of the investment firm of Rohatyn Associates LLC and is a former American ambassador to France.

Dependence

Welfare is over. Now it's time for a new social compact that enables people to lift themselves out of poverty.

The issue of welfare,” Daniel Patrick Moynihan wrote in 1972, “is the issue of dependence.” That issue, which sparked one failed attempt after another to “reform” welfare, was finally settled in 1996, when President Bill Clinton signed a law ending “welfare as we know it.”

by Will Marshall

We're still a long way from finishing the job of replacing welfare with work. But already the next big social issue is coming into focus: the struggles of low-wage workers to keep working, climb up the income ladder, and lift their families out of poverty.

In the last century, U.S. welfare policy was organized around the needs of the dependent poor. In the 21st century, the plight of the working poor will dominate our post-welfare social policy. It's time to forge a new social compact upon this simple but powerful proposition: *No American family with a full-time worker will live in poverty.*

The 1996 law (dubbed the Personal Responsibility and Work Opportunity Reconciliation Act) is the bridge between these two eras. It converted the old welfare entitlement into a new bargain of mutual responsibility in which public assistance is temporary and conditioned on work. Coupled with new policies to make work pay — especially the 1993 expansion of the Earned Income Tax Credit, a federal wage supplement that adds up to \$4,000 to a low-wage worker's earnings — and buttressed until recently by a strong economy, the new

Welfare As We Knew It

1920	Various state programs for widows.
1935	Social Security Act creates Aid to Dependent Children (ADC).
1950	ADC renamed Aid to Families with Dependent Children (AFDC).
1996	President Clinton's Personal Responsibility and Work Opportunity Reconciliation Act abolishes welfare as we knew it. Instead, it creates Temporary Assistance for Needy Families (TANF), a time-limited program that requires recipients to work.
2002	The 1996 law is up for renewal.

> Will Marshall is president of the Progressive Policy Institute.



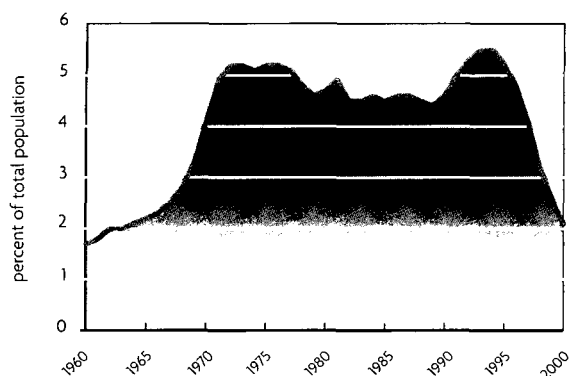
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January/February 2002



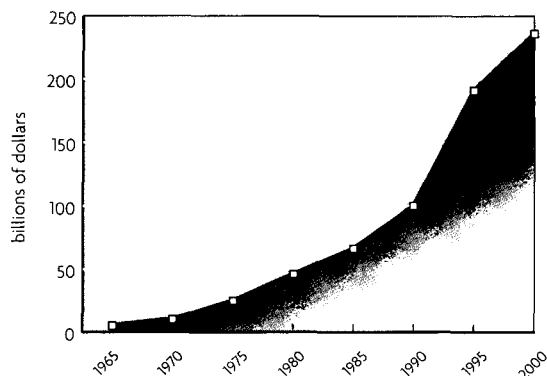
BREAKING THE CYCLE: The “work first” philosophy of welfare reform brought new hope to millions of women caught in a generational cycle of poverty and dependence. Job services, child care, and training can help women like these work their way out of poverty.

U.S. Welfare Recipients



SOURCE: U.S. Department of Health and Human Services

Federal Spending on Means-Tested Programs



SOURCE: Congressional Budget Office

“work first” philosophy is working.

The nation’s welfare caseload has declined by 57 percent — or 2.2 million families since 1996. Researchers say that about two-thirds of those who have left the rolls — “leavers” in social science parlance — have found steady work. Of those who remain, an unprecedented one-third are working. According to the Urban Institute’s Robert Lerman, 2000 census data show strikingly strong earnings gains for single mothers, with those at the bottom of the wage scale enjoying especially high wage growth. Reform has yielded other important byproducts as well: Experts credit the changed signals coming from government about work and personal responsibility for contributing to a 20 percent drop in teen pregnancies and births over the last decade, without any corresponding rise in abortions.

The new emphasis on “work first” and making work pay, in tandem with the record-shattering economic expansion of the 1990s, also gave America its best decade of progress against poverty since the 1960s. Overall, the poverty rate dropped from 15 percent to 11.3 percent between 1993 and 2000, while the child poverty rate fell even more, from 22 percent to 16 percent.

Some analysts, however, caution

PUBLIC SUPPORT: Since 1996, Americans have demonstrated increasing generosity to the working poor. While welfare caseloads fell sharply in the late 1990s (left graph), public spending increased dramatically on make-work-pay policies such as child-care assistance and the Earned Income Tax Credit (right graph).

against declaring welfare reform an unqualified success, especially as the economy falters. Liberals (who mostly opposed the 1996 law) are concerned that the number of people receiving food stamps and Medicaid health coverage has declined, leaving some single mothers worse off even when they take private sector jobs. Conservatives worry that we’ve made little progress toward achieving a key goal of the 1996 reform: promoting marriage. Almost no one, though, is calling for junking the 1996 reform outright. Ending the old welfare entitlement, it turns out, was the public policy equivalent of Cortes’ decision to burn his boats before marching inland on Mexico City.

In one respect, ending welfare already has been an unambiguous success: It has engendered tremendous public sympathy for the working poor and largely erased the stigma on social spending. Polls suggest that the anti-welfare passions of the past have yielded to a new public consensus on helping families struggling to work and achieve self-sufficiency. For example, a survey this year by Hart Research found that 71 percent of Democrats and 63 percent of

Republicans say it is very important for President Bush and Congress to “(do) more to help those trying to work their way off welfare.” In fact, voters rank this priority among their top five concerns, along with “providing greater help to the working poor,” which 62 percent of voters found very important.

Government policy is another key barometer of the public’s shifting attitudes toward social provision. Even as welfare rolls declined, total federal support for working families rose by \$74 billion between 1993 and 1999. This figure includes big increases in federal child-care aid (many states have upped their spending too) as well as the dramatic expansion of the EITC. In fact, it’s no accident that the EITC — at \$30 billion a year almost twice the size of federal welfare spending — has become America’s biggest anti-poverty program, as well as its most effective. It’s because the EITC rewards work, not dependence.

This shift seems to have ended welfare politics as we knew it. For decades, conservatives used welfare as a wedge issue to divide low-income and working-class voters and to cast Democrats as defenders of dysfunc-

tional government programs. By realigning U.S. social policy with Americans' deeply held values of work, family, and mutual responsibility, the 1996 changes have detoxified the welfare issue, which was conspicuous by its absence in the 2000 campaign.

The results so far have borne out the central New Democrat insight that inspired Clinton's promise to end welfare: The way to make U.S. social policy both more effective and more generous is to make it more morally demanding, on both recipients and society at large. Unfortunately, many liberals and anti-poverty activists who predicted that reform would be a social calamity are deeply committed to denigrating the progress made to date. It makes more sense for Democrats, as the party of public activism, to cheer changes that are visibly restoring public confidence in government's ability to help the poor lift themselves up.

For the first time in decades, in fact, progressives have an opportunity to seize the initiative on social policy. As Congress gears up to renew the 1996 law for another five years, progressives should set two goals: finishing the job of ending welfare dependence and starting to define America's post-welfare social compact. The key to meeting the first goal, as Anne Kim argues elsewhere in this issue, is keeping pressure on the states to move welfare mothers into work and to bring the dads into the welfare-to-work system as well. At the same time we need to redouble efforts to discourage out-of-wedlock births — the "feeder system" for both welfare and child poverty.

Second, we need to make support for low-wage workers the central organizing principle of America's 21st-century social policy. This entails rethinking not just welfare, but the whole array of federal means-tested social programs to ensure that they provide low-wage working families with the essential building blocks of a decent life: access to jobs and income supplements to reward work, child

care, affordable housing, and health insurance.

If we want to affirm the dignity of labor, we can't ignore the reality that entry-level jobs don't pay enough to help families obtain what most Americans would consider a minimally decent living standard. Of course, we could simply legislate higher wages, but that would discourage many businesses from hiring people with scanty skills and work experience and result in higher prices that will disproportionately pinch the poor. The right answer is to index the federal minimum wage so that it keeps pace with inflation and to avoid job-destroying "living wage" campaigns. And we should make sure that public policy fills the gap between what jobs at the bottom of the labor market provide (in pay and benefits) and what working families need to live comfortably.

In addition to reorienting anti-poverty policies around the needs of low-wage workers, the new compact entails big policy changes outside the traditional social policy realm. For example, it's past time to create a universal health care system, since many of the jobs available to low-income workers don't offer health insurance. But instead of creating a top-down national health care bureaucracy, we can achieve universal coverage from the bottom up — by offering low-wage workers tax credits for purchasing private medical insurance.

Another crucial step is to make all American families savers and wealth-builders as well as earners. Just over half of U.S. households report owning some stocks or bonds, but it's the top half. To universalize savings and investment, Washington should create tax-deferred personal savings accounts for families of modest means. For very poor families, government could match contributions into the tax-exempt accounts, which would be dedicated to purposes such as edu-

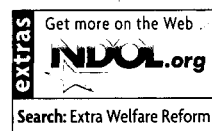
cation, buying a house, or retirement. In this way, we could ensure that elderly Americans have two sources of economic security: what they can earn by working and real financial assets that help them accumulate wealth over time.

Throughout the last century, U.S. progressives and social thinkers looked to the European welfare state as their model. That model, based on an ideal of social solidarity, seeks to engineer equality of outcomes through policies that redistribute wealth. This social democratic approach has come under terrific pressure, however, as demographic changes, immigration, and high unemployment have swollen the ranks of non-workers and globalization has forced new efficiencies on both government and business. Worried that "social charges" are consuming too much of their national wealth and that rigid labor markets are suffocating entrepreneurship, most European countries are rethinking welfare and paring back social spending.

Today the United States has an opportunity to reinvent social welfare around a new model with distinctly American roots. It would stress equality of opportunity, not results. It would restore the link between effort and reward by demanding that everyone work to support themselves and contribute to the common pot. In return, it would enable and reward work, spur economic self-reliance and

mobility, and help every American get an ownership stake in our free enterprise system.

This approach would seek to reconcile our economic and social policies, making them mutually reinforcing. It would aim at reducing poverty and inequality in ways that keep our labor markets dynamic, our enterprises competitive, and our government solvent. Above all, our new social compact would end the social and economic isolation of the nation's poor and equip them for productive citizenship. ♦



Finish the Job

The expiration of the 1996 welfare reform law in September 2002 will close the first chapter on the most remarkable transformation in U.S. social policy in 40 years. With Congress set to renew the law next year, debate has already begun on what the second act should be.

From the political left come proposals aimed at softening the hallmarks of the 1996 law — work requirements and time limits. On the political right, marriage promotion is the principal concern. Yet neither approach promises to preserve the central achievement of reform — replacing welfare with work and making work pay.

As it moves this year toward reauthorization of the welfare reform law, Congress should pursue two goals: finishing the job of welfare reform and fostering the creation of a seamless system of work supports aimed at helping working families lift themselves out of poverty.

To achieve these aims, Congress should be guided by the following seven principles:

1. *Keep the focus on "work first."* Congress should resist attempts to weaken the law's time limits and work requirements, which have sent such a powerful signal that all who can work must work. On the contrary, we should maintain time limits and step up pressure on the states to help all recipients find and hold down jobs.

Over the next five years, Congress should boost target work participation rates to at least 60 percent — 10 percent over the current

Seven steps
Congress must
take to complete
the welfare
revolution.

by Anne Kim



maximum. We should also eliminate the caseload reduction credit, which rewards states' caseload declines with lower work requirements. The credit fails to consider whether those who have left welfare are working, which gives states incentive to meet work requirements by simply shrinking their rolls. In its place, Congress should institute Rep. Benjamin Cardin's proposal for an employment credit, which directly rewards states for putting both former and current recipients to work.

Congress should also offer competitive grants to encourage states to test innovative ways of helping hard-core recipients move toward independence. For example, Washington state and Philadelphia have set up transitional jobs programs that combine work experience with job training and education. Unlike "workfare," in which recipients work off a cash grant, transitional jobs pay real wages for every hour worked, typically 20 to 25 hours a week. They often also provide a full menu of work supports as well as substance abuse counseling, mental health treatment, and other services designed to overcome barriers to employment.

2. *Maintain funding.* Shrunk welfare rolls are no excuse to cut funding for the Temporary Assistance for Needy Families (TANF) block grant, the program that replaced the old welfare entitlement. As the economy sours, states may find it harder to place people in jobs, especially those recipients with multiple barriers to employment. They will likely need intensive and expensive services — such as transitional jobs — to move toward independence. Moreover, as more young mothers work, states will need more money for child care and other work supports, even as they spend less on cash assistance.

At a minimum, Congress should preserve the basic annual federal block grant of \$16.5 billion and reauthorize the contingency fund, which will provide a needed cushion during tough times. States should also be required to maintain their own



UP THE LADDER: The second stage of welfare reform must supplement work-first policies with wider opportunities for career advancement and job retention.

upward mobility by expanding opportunities for personal savings and home-ownership. Most important, Congress should expand the EITC, now America's biggest and most effective anti-poverty program.

5. Reward states for promoting work and reducing poverty. Welfare reform can never be counted a complete success if its only effect is to convert the dependent poor into the working poor. The true test is whether low-income families can lift themselves out of poverty and up the job and income ladder. To encourage a shift in emphasis from income maintenance to upward mobility, Congress should add poverty reduction as

spending, which in 2000 totaled approximately \$10 billion.

3. Include fathers. Public policy must overcome its historic neglect of poor fathers and bring them into the new job placement and support system created by welfare reform. In recent years, researchers have discovered that many of the fathers previously considered to be "deadbeat" were, in fact, "deadbroke." Another reason to preserve TANF funding is to ensure help for these poor fathers, as well as to provide funding for proven efforts that promote responsible fatherhood. Congress should also eliminate provisions that discourage two-parent families from participating in TANF (such as separate work requirements for two-parent families) and reduce the tax code's marriage penalties, especially in the Earned Income Tax Credit (EITC).

New opportunities for poor dads should be coupled with renewed emphasis on the responsibilities of fatherhood, including child support. In 1999, states collected a record \$16 billion in child support payments,

double the amount collected in 1992. We should continue this progress by improving interstate collection systems and harnessing technology to track down deadbeat dads.

Congress should also ensure that more money gets to the families of fathers paying support. Government now takes a significant cut of all collections from dads with kids on welfare — though fathers are more likely to pay child support (and more of it) if their payments are "passed through" to their families. States should be allowed to use some TANF dollars to finance child support pass-through.

4. Expand key supports for low-wage workers. Congress should go beyond TANF's scope and invest in all key components of a comprehensive system of supports for working families. We should spend more money on child care and on transportation assistance for workers who need help getting to their jobs. We should provide health insurance to the many families lacking coverage. We should also provide working families with the means for

a stated purpose of TANF. To that end, it should establish a generous bonus pool for all states that achieve demonstrable success in reducing poverty among families with a working member. To keep the focus on work as the ultimate path out of poverty, however, Congress should also double the bonus pool available to states that succeed in moving former and current welfare recipients into the labor force and up the job ladder.

6. Break down bureaucratic barriers. Congress should consider merging TANF with other means-tested anti-poverty programs into broad funding streams that free states from federal micromanagement while holding them strictly accountable for performance.

Although reform spurred many welfare offices to retool their mission, services, and culture, the reinvention of bureaucracy is far from complete. Social services programs remain plagued by redundancy. These include the plethora of welfare-to-work programs provided not only by local

TANF offices but by the Department of Labor under the Welfare-to-Work program, by HUD under its Hope VI project, and by the Department of Agriculture in its efforts to help recipients comply with the work requirements imposed on food stamp recipients by the 1996 law. States should have free rein to create "one-stop" shops like the Office for Working Families envisioned in Denver, which will offer under one roof access to TANF, Medicaid, food stamps, and a full range of employment services.

Congress should also overhaul the food stamps program and reorient it to the needs of working poor families. One promising idea from Harold Beebout and Mike Fishman would convert food stamps into a tax credit for working families, which workers would apply for at the same time they file for an EITC. Eligible families would receive, by electronic transfer, a monthly credit roughly equal to the amount they would have received from food stamps.

7. *Encourage public-private partnerships.* Government can and should do more to harness the talents of the private and civic sectors in empowering the working poor. Already, businesses like America Works and Maximus that help welfare recipients find and keep jobs are generating cost-saving innovations and injecting competition into social service delivery. And while established religious charities have long played a vital role in delivering social services, Congress should also encourage smaller congregations and community organizations to get involved in welfare-to-work, child care, teen pregnancy prevention, responsible fatherhood projects, and other efforts to break the cycle of poverty. Performance-based contracts, rigorous evaluation of new programs, national outcome measures, and improvements in information gathering can help create a competitive market for social service delivery that taps the best of all three sectors: government, business, and community. ♦

Apocalypse

The economy slowed, but early indicators showed welfare caseloads were not rising.

by Tom Mirga

With the economy shrinking and joblessness rising, it might stand to reason that welfare recipients new to the workforce will suffer disproportionately under the "last hired, first fired" principle. And there is genuine cause for concern. In the economic aftershocks of Sept. 11, unemployment surged from 4.9 percent last September to 5.7 percent in November, putting some 900,000 Americans out of work. It was the biggest two-month rise in the unemployment rate in more than 20 years. In New York state, which suffered especially hard from the terrorist attacks, the state labor department reported in early November that roughly 25,000 people had lost their jobs due to the World Trade Center disaster. Many were employed in low-wage industries such as restaurants, hotels, retailing, and transportation that often are the first step on the path to self-sufficiency for those leaving welfare for work. New York City business groups issued a report in mid-November estimating that by 2003 the city will have experienced a net loss of 57,000 jobs due to Sept. 11.

A severe and prolonged economic downturn almost certainly would set back countless families that have moved from welfare to work. And we won't know the downturn's exact effects on welfare caseloads until early 2002. Still, there's reason for hope. As of June 2001, the number of Americans receiving welfare had been cut by more than half — 58 percent — since former President Bill Clinton signed historic legislation in 1996 "ending welfare as we know it."

The national poverty rate of 11.3 percent in 2000 virtually

Tom Mirga is executive editor of BLUEPRINT.

matched the record low set in 1973.

While welfare caseloads have stopped declining dramatically, trends remained positive through the second quarter of 2001, the most recent period for which national data are available. The number of individuals nationally receiving cash aid under the Temporary Assistance for Needy Families (TANF) program fell 5.2 percent, from roughly 5.6 million to 5.3 million, between October 2000 and June 2001. Caseloads continued to decline even as the nation's unemployment rate began to rise, from a 30-year low of 3.9 percent in October 2000 to 4.5 percent in June 2001.

Four of the five states (California, New York, Texas, Pennsylvania, and Michigan) that together account for roughly half of the nation's welfare recipients continued to experience declining caseloads between October 2000 and June 2001.

Only Michigan saw an increase, of 2.3 percent. Even so, its welfare population is still roughly one-third of what it was at its peak in the 1980s.

Many recipients nationwide are nearing the end of their five-year lifetime limit on cash aid. But state officials note that the 1996 welfare reform law permits states to exempt up to 20 percent of their recipients from the limit due to various hardships. Thanks to the strong economy of the 1990s, few states thus far have exempted anywhere near 20 percent of their caseloads, leaving plenty of breathing space on the rolls should the recession linger.

Perhaps more important, state and local welfare officials say that reform's work requirements and expectations of personal responsibility have changed the culture of welfare for the better. For one thing, they have made recipients more resilient. Thousands of former welfare recipients, they note, now have job histories that will enhance their prospects of finding

new work should they be laid off.

State and local agencies say they are working more urgently and strategically than in the pre-reform era to help families achieve self-sufficiency. In California, for example, state officials took a hard look at the post-Sept. 11 economic landscape and began channeling recipients toward growing economic sectors such as medical and security services. Meanwhile, in Silicon Valley welfare officials are aggressively reaching out to newly unemployed "alumni" of their job-placement services and providing them with a range of job search and skills-upgrade services in hopes of preventing their return to poverty.

Situation report from the states.

In the five states with the largest caseloads, welfare officials are watching economic trends closely. Yet overall they remain

State and local welfare officials say that reform's **work requirements** and expectations of **personal responsibility** have changed the culture of welfare for the better. Thousands of former welfare recipients, they note, now have **job histories** that will enhance their prospects of finding new work should they be laid off.

optimistic about long-term prospects for helping more welfare families achieve and maintain self-sufficiency.

California. In California, which has the nation's largest welfare population, the rolls declined by 52 percent between 1996 and 2000 and stood at roughly 1.24 million recipients in June 2001. But according to Andrew Roth, a spokesman for the state department of social services, the state's caseload stabilized in early 2001.

"Obviously, the dot-com bust showed us that the economy wasn't going to be great forever, and so we began preparing for leaner economic times," Roth said. Preparations included persuading the county offices that administer the state's Calworks welfare program "to hold job fairs and engage current and former clients in retraining and [to] otherwise work with them."

The preparations also included thinking strategically about changes in the state's economy. "Here in California, the service industry has always been a big partner in our welfare-to-work effort," Roth said. But with airlines, Hollywood studios, and amusement parks suffering from the effects of Sept. 11, "we need to shift that focus," he continued. "We're trying to move people toward hospital and security services. There's always a demand for health care, and in the post-Sept. 11 environment we expect higher demand for workers in security."

In Santa Clara County, Calif., the home of Silicon Valley, the unemployment rate leaped from 1.8 percent to 6.2 percent between July and November 2001. Yet the county's welfare caseload remained relatively stable. Alette Lundeborg, manager of

the county Calworks program, explained that "because we had such a robust economy many of our clients have been working for a long time and therefore qualify for unemployment."

"Our caseload hasn't gone up yet," she said last November, "but we expect it to begin rising in early 2002 as their unemployment benefits run out." The county's caseload in October 2001 was at an all-time low of just under 10,000 families, down from a peak of about 34,000 families in 1994.

Lundeborg said that her office was increasingly hearing from "alumni" of the welfare-to-work program who have either lost or are concerned about losing their jobs. "We're returning their calls and telling them to come in," she notes. "We are choosing to serve them with re-employment assistance and access to skills upgrading

rather than wait for them to sink back into poverty.”

New York. In New York state, “it is still too early to tell if we are experiencing or will experience” significantly higher welfare caseloads due to the combined effects of the economic downturn and the terrorist attacks, said Jack Madden, a spokesman for the state office of temporary and disability assistance, in early November.

The state’s welfare caseload declined from roughly 1.3 million recipients in January 1995 to 592,653 in June 2001 — a 53 percent reduction. “Our economy

offering municipal jobs to welfare recipients reaching their five-year lifetime limit on federal cash assistance. The workers’ wages are being paid out of the state’s \$1.5 billion annual welfare windfall — the federal money that states reap by reducing their caseloads below 1995 levels.

Welfare recipients who have entered the workforce “now have a work history, they understand the importance of work in their personal lives, and they will be able to jump back into employment when the economy picks up steam again,” Madden predicted. “You have to

to generate a small increase in applications for food stamps. “Fortunately, our economy is much more diverse than it was in the 1980s when we were heavily dependent on oil,” he said in November. “Obviously, we’re seeing layoffs in the high-tech sectors in Austin and Houston, and we’ve seen some impact in the airline industry. But so far, there’s no sign of downward pressure on jobs held by entry-level workers.”

Pennsylvania. Pennsylvania, which has experienced a 56 percent decline in welfare recipients since reform began in 1997, is in a similar

“New entrants now come in with the **expectation** that welfare is **temporary** and transitional and that they need to move into employment and **help their family**. There’s been a cultural change for our staff as well, a new attitude about moving families **quicker**.”

situation. “We’ve seen a minimal increase in our caseload, on the order of points of a percent” between the summer and fall of 2001, said Jay Pagni,

was fairly strong before Sept. 11, and we really hadn’t seen an effect on our caseload before then,” Madden said.

Madden noted that there are “a number of emergency assistance programs out there” for current and former welfare recipients who lost their jobs due to the attacks. They include disaster unemployment assistance for those who have not worked long enough to qualify for regular unemployment insurance and a disaster food stamp program.

Madden said the state expects that some welfare recipients new to the workforce will lose their jobs due to the recession. He noted, however, that they will be better able to weather the current storm than those in past economic downturns. Under legislation signed by Gov. George E. Pataki last August, newly employed workers earning up to double the poverty level are eligible for transitional services such as education and job training, employment assistance and placement, child care, help collecting child support, and alcohol and drug abuse treatment. *The New York Times* also reported in November that New York City has begun

compare that with the old welfare system, which kept people in poverty regardless of the economy.”

Texas. Texas’ welfare caseload has declined 56 percent since 1995, the year reform began in the state, falling from a monthly average of 782,379 recipients six years ago to 345,282 recipients in August 2001. The number of recipients, however, remained essentially flat between March and August 2001.

Mike Jones, a spokesman for the state department of human services, attributed the leveling off in part to the fact that the state is “now getting to its hardest-to-serve welfare population” and also to a new earned-income-disregard policy that is keeping people on the rolls longer. Under the terms of a 1999 state law that took effect in March 2001, 90 percent of a newly employed welfare recipient’s earned income is not counted toward her eligibility for welfare for her first four months of employment.

According to Jones, the state’s rising unemployment rate had not affected its welfare caseload as of October 2001, although it did seem

a spokesman for the state department of public welfare. “We’re in a wait-and-see mode.”

The state’s caseload declined from 484,321 recipients in January 1997 to 210,931 in June 2001 and then began leveling off. As in Texas, Pagni attributed part of the new trend to a policy change. In Pennsylvania’s case, the state last summer suspended the five-year lifetime time limit on cash assistance for up to one year for recipients who are working between 30 and 40 hours a week. “We are seeing a number of individuals taking advantage of that change,” Pagni said.

“Obviously, we’re keeping a close watch on the economy,” he continued. “Our hotel and travel industries certainly have taken a beating since Sept. 11, but the diversity of our workforce should help us weather any kind of storm.”

Michigan. Michigan alone among the five states with the biggest caseloads experienced a significant increase between October 2000 and June 2001, rising from 191,128 recipients to 195,499, or 2.3 percent. According to Doug Howard, director of the state family independence agency, appli-

cations for food stamps began rising "sometime in 2000, and we began seeing a slight upward shift in cash assistance in late 2000, early 2001."

Howard, who is also the president of the American Public Human Services Association, the professional group for state and local welfare administrators, attributed the rise in food stamp applications both to the economy and to enhanced outreach efforts. But the increase in cash welfare, he said, "is being driven much more by the economy."

"We started to see more applications coming in, and at the same time people weren't exiting as fast," he noted.

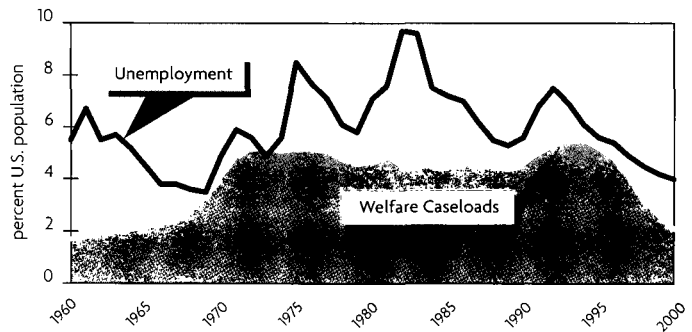
Last year Michigan had a monthly average of about 70,000 families receiving cash assistance, and this year budgeted for 75,000 a month. In mid-October, Gov. John Engler sought supplemental funding from the state legislature to handle an average monthly caseload of up to 79,000 families.

Howard noted, however, that "even though the unemployment rate has picked up, our caseload is still only about a third" of what it was when it peaked in the 1980s at 230,000 families. And he remains very optimistic about long-term prospects for future reductions.

Welfare reform, he said, has had "a pretty dramatic effect" on the attitudes of recipients and the culture of the bureaucracy. "New entrants now come in with the expectation that welfare is temporary and transitional and that they need to move into employment and help their family. There's been a cultural change for our staff as well, a new attitude about moving families quicker."

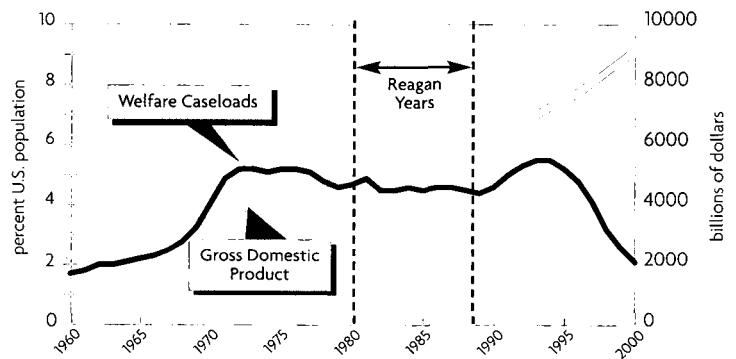
"Opportunities may be scarce now," Howard continued, "but those changes in attitude and culture have helped a lot of families that have been on assistance in the past build a resume. When the next opportunity comes up, they will be a lot better served." ♦

Unemployment Rate vs. Welfare Caseloads Rate



SOURCE: Bureau of Labor Statistics

Welfare Caseloads and Gross Domestic Product



SOURCE: U.S. Census & Bureau of Labor Statistics

* Shaded areas indicate the recession years

Economy and Welfare Caseloads

ust how cyclical are welfare caseloads? The answer seems to be, "somewhat, but not very."

During the 1990s, both welfare caseloads and unemployment rates plummeted to historic lows. But the current downturn has prompted dire predictions from some quarters that caseloads will inevitably surge upwards. Historically, however, the correlation between caseloads and unemployment rates is far less pronounced (top, chart 1).

Moreover, research indicates that general economic conditions have less effect on welfare caseloads than other factors. Of nine major studies surveyed by the Urban Institute, eight concluded that the economy accounted for 36 percent or less of the caseload decline during the 1990s. Welfare reform and other factors played a bigger role.

History also bears out the contention that good times don't necessarily mean smaller caseloads. During the Reagan-era boom of the 1980s, for example, the percentage of American families receiving assistance remained steady between about 4.5 and 4.7 percent, more than double the percentage today (chart 2).

—Anne Kim and Megan Burns



Making the Case: Has

Welfare Reform

The strong 1990s
economy helped.
Watch out in a
recession.

by **Wendell Primus**

To call welfare reform a “striking public policy success” would overstate its impact significantly. Let’s see what happens during a recession and when more families reach the five-year time limit imposed by the 1996 law. Welfare reform is publicly perceived as successful because of dramatically reduced caseloads, increased employment of single mothers, declining child poverty, and even some increase in the percentage of children living in two-parent families. But these developments are not just due to welfare reform but also to the strong economy of the 1990s, which was able to raise real wages at the

Continued on page 28



A Debate

Welfare Reform Worked?

Yes, smashing...

It's rare that a distinguished group of academics, experts, and policymakers is as wrong as opponents of the 1996 welfare reform seem to have been. The '96 law was going to send a million children into poverty, start a "race to the bottom" among states, and cause a dramatic rise in child abuse and domestic violence. There would be "a third of a million children in the streets," said Daniel Patrick Moynihan, who predicted "something approaching an Apocalypse." None of these things has happened. They are highly unlikely to happen, even if the current recession proves deeper than expected.

Caseloads are way down and working Americans are way up.

by **Mickey Kaus**

Continued on page 30

▷ **Mickey Kaus**, author of *The End of Equality*, writes for SLATE and kausfiles.com.

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PRIMUS *continued from page 26*

bottom of the scale and reduce unemployment to its lowest levels in 30 years. It was also the result of new and expanded policies to make work pay, such as the increases in funding for the Earned Income Tax Credit (EITC) and work supports such as health insurance and child care.

But not everything is rosy; there were also some disturbing trends. Despite the strong economy of the past decade, studies based on two different surveys showed that some single mothers living alone with their children actually experienced income declines. Some 725,000 single-mother families were economically worse-off in 1999 than in 1994. And even among families whose earnings rose significantly, family income increased only modestly because many families stopped receiving work supports like food stamps, child care, health insurance, and cash assistance even though they remained eligible.

The next round of welfare reform should preserve and build upon its successes and ameliorate its negative impacts. The emphasis should shift from caseload reduction to poverty reduction. The work support strategy should shift from cutting off recipients to ensuring they receive all benefits to which they are entitled from work support programs.

To better accomplish the goals of Temporary Assistance for Needy Families (TANF), funding needs to be increased. First, the overall size of the TANF block grant, as well as required levels of state spending for TANF programs (maintenance-of-effort), should be increased and indexed for inflation. In addition, the TANF contingency fund needs to be renewed and restructured so that states can provide for increased numbers of needy families when the economy slows. Funding disparities among the states need to be reduced; if states want to sustain (and increase) the flexible funding available under

TANF, they should agree not to supplant federal TANF dollars.

Second, the emphasis on work must be continued and strengthened. The caseload reduction credit should be eliminated; time limits should not apply to working families; work supports and employment services provided to single mothers as part of welfare reform should be extended to non-custodial parents. States should also be allowed to expand the definition of what counts as "work" for the purpose of TANF's participation requirements. These should include activities that enhance the probability

of employment such as substance abuse treatment, mental health counseling, and education. Sanction policy needs to be focused on getting families to work, not cutting families off from assistance.

Third, the harsh restrictions imposed on legal immigrants' eligibility for safety net programs should be repealed. As taxpayers, legal immigrants contribute not only to the cost of education, roads, and national defense, but also to the cost of providing safety net benefits for low-income families. Legal immigrants should not be excluded from these



NEW SKILLS: Going from welfare to work meant a dramatic cultural change for many. A back-to-school ethic, above, combined with the routine and responsibilities of work altered lives.

programs when temporary hardship interrupts their employment.

Fourth, TANF policy should strengthen families. States should continue their efforts to reduce unintended pregnancies, particularly among teens, with programs that have proven track records. These include insuring that more two-parent families receive the work supports to which they are entitled, and maintaining a strong child support system but modifying it so that all child support payments directly benefit the children of a con-

tributing non-custodial parent, rather than benefiting government by recovering the cost of previous welfare payments. States could go further by matching the child support payments made by low-income non-custodial parents. Transitional jobs should be available to both moms and dads.

The structure and flexibility under TANF should not change. However, additional funding and the suggestions above would further accomplish the goals of TANF and improve child well-being. ♦

Kaus' response to Primus:

The 1996 welfare reform was a defeat for "Money Liberals," such as Wendell Primus, who are concerned above all else with getting money into the hands of those in the bottom quintiles of the income charts. Reform was a victory for the work ethic, and the notion that honoring this popular American value — by *not* giving cash to those who don't work — is ultimately the best way to build a decent society for poor and rich.

Primus apparently remains an only slightly reconstructed advocate of Money Liberal solutions, though he makes his pitch as a friend of welfare

reform who just wants to "build upon its successes." His main complaint, characteristically, focuses on money income — the 725,000 single mothers he claims were "economically worse off in 1999 than 1994." Hmm. Why didn't he update his data to include the year 2000? Could it be because between 1999 and 2000, incomes in the bottom quintile jumped 13 percent (including a 26 percent jump in earnings)?

Some **725,000** single-mother families were **economically worse-off** in 1999 than in 1994.¹³

Did that shrink Primus' 725,000 worse-off single moms to zero? Maybe not. In a welfare reform regime, it's true, single mothers who don't work often lose part of their government assistance. In other words, if they don't work, they end up worse off — that was sort of the idea! In the long run, the result will be more workers, less poverty, stronger families, better neighborhoods. (The income numbers for the next-to-the-bottom quintile are spectacular.) Only a Money Liberal would think the purpose of welfare reform was to make absolutely everyone immediately better off.

Several of Primus' other seemingly friendly suggestions also violate the work ethic and in doing so undermine welfare reform's long term goal. He wants drug abuse treatment to count as "work"! (Become a crackhead, get a check.) He wants "education services" to count as "work" — never mind that the 1996 reform succeeded because it emphatically rejected the "train first, work later" approach of its predecessors. There's nothing wrong with supplementing work with education and training. But "self-esteem" classes and the like shouldn't *substitute* for actual work.

Primus also wants to fudge the bright line between work and welfare. He would repackage both the main welfare program (Temporary Assistance for Needy Families) and food stamps as "work supports," and

urge even families who work to claim "all benefits to which they are entitled" if they have low enough incomes. But if many poor families don't sign up for welfare and food stamps because they are stigmatized "dole" programs — available to shirkers as well as workers — that's a good thing, not a bad thing! Their work ethic is far healthier for society than the Money Liberal ethic Primus is pushing, which is, roughly, "Come

and get yours! You're entitled!"

Letting workers keep part of their welfare checks, and all of their child support payments, will also create a perverse incentive, in the long run, to go on welfare before going to work. After all, if you just go immediately to work, you don't get to supplement your wages and your child support with a welfare check. But if you go on welfare right out of high school, and only *then* go to work, you get the benefits of both worlds. Money Liberals, concerned only with getting cash into the hands of the poor right now, tend to ignore these long-term perversities — or else they don't mind that their "improvements" will lure thousands onto the dole.

"Whatever we have been doing over the past five years, we ought to keep going" — Primus said that, to the *New York Times* a few months ago, and it was a brave, clarifying thing for a prominent opponent of the 1996 bill to say. There are plenty of ways to support the working poor without violating the work principle underlying the 1996 reform, things Primus supports: boosting the minimum wage, raising the EITC, increasing funds for training as a supplement to work, not a substitute for work. Why not concentrate on these popular improvements, as opposed to changes that subtly undermine the philosophy of a reform that, so far, has worked well? ●

KAUS *continued from page 27*

Instead, about 2 million welfare recipients have become workers, cutting caseloads in half. That's a major accomplishment whether or not they have gained a cent in income. The main purpose of welfare reform, after all, was not to immediately reduce poverty or boost income. It was to replace a welfare culture — whole communities without fathers or breadwinners — with a working culture, in which children had employed parents as role models, in which the discipline of work shaped home life, in which the natural incentives favoring marriage were restored.

Of course, the dramatic increase in work among poor women *did* help reduce poverty. Child poverty — especially black child poverty — has plummeted. The percentage of children in so-called "deep poverty" has fallen significantly as well. Would poverty have fallen faster, in the strong 1990s economy, *without* welfare reform? That's impossible to disprove. But in the '80s boom child poverty

trend has actually been reversed: According to Wendell Primus' own calculations, 2000 was the first year in decades in which a black child was more likely to live in a two-parent home than a single-mother home.

Ron Haskins, an architect of the 1996 bill, was justified, then, when he called it "the most successful large social reform since the New Deal." It would be foolish to make major changes absent evidence of major problems. But another of welfare reform's achievements was to enable a new consensus in favor of helping poor Americans *who work*. Broadening unemployment insurance, ending the marriage penalty within the Earned Income Tax Credit, raising the minimum wage, and expanding health insurance are all ways to aid the working poor by building on the work-ethic principles of the '96 reform.

We could also do more to correct the greatest disappointment of welfare reform so far, which is the general failure of states to emulate Wisconsin's successful public jobs plan. Instead of cutting welfare recipients off after five

Primus' response to Kaus:

When welfare reform passed in 1996, Congressional Budget Office estimated that it would save \$54 billion over the period from 1997 to 2002. Welfare reform went much further than revamping the Aid to Families with Dependent Children program: The major savings in the bill were the immigrant and food stamps provisions. The immigrant provisions were so onerous that some of the worst of those changes were modified one year later, restoring about \$13 billion of the budget reductions. Most of the food stamps changes were budget reductions, not well-designed policies to put families to work. Since 1996, food stamps outlays have declined by an even greater amount than was projected because participation has fallen significantly among those families who are eligible for benefits.

Mickey Kaus seems to have forgotten these provisions. He certainly does not succeed in justifying denying all benefits to immigrants. Sponsors of immigrant families do have an obligation

§§ The **dramatic increase** in work among poor women *did* help reduce poverty. **Child poverty** — especially black child poverty — has **plummeted**.

fell less than half as much. Welfare reform appears to have pushed poor single mothers into the work force just when it was a good time to be in the work force. Between 1993 and 2000, income in the bottom quintile of female-headed families rose 28 percent. Earnings more than doubled. If the War on Poverty had put those numbers on the board, Ronald Reagan would be an obscure ex-actor.

Most important, welfare reform appears to be provoking the sort of long-term cultural change that was its primary purpose. The decades-long trend toward single-motherhood and out-of-wedlock births, thought unstoppable, was in fact stopped in the '90s. For African-Americans, the

years (the conservatives' idea), or relaxing time limits to let them off the hook (the liberals' idea), let's put them to the test by offering them a public job. If they show up and work, they keep getting a check.

My worry is that instead of building on these popular work-ethic principles, liberals will again try to fudge them by promoting food stamps, a welfare program that gives aid to people who work hard every day — but also to never-married mothers who stay home watching "Jerry Springer." That's a good way to alienate the voters, who've shown they are willing to pay taxes to help poor Americans as long as those poor Americans are willing to work. ♦

to help their relatives get established in this country, but they fulfill this obligation. Immigrant families work hard and pay taxes. There is no reason immigrant families should be denied health care or the work supports they need to move into the labor force.

Kaus is 100 percent correct that Americans believe in work, but Americans also believe that people should be economically better off when they work. The food stamp and immigrant cuts were not essential to reducing TANF caseloads or increasing the work participation of never-married mothers. Those provisions were the primary reasons that we projected back in 1996 that there would be more poor children as a



SINGLED OUT: The 1990s saw a decrease in the decades-long trend toward single-motherhood. But some, like the woman above, struggled to stay off welfare. Meanwhile, fast-food workers, left, would benefit from a minimum wage boost.



result of welfare reform. And there is plenty of recent evidence that the effectiveness of TANF and food stamps in combating poverty has been greatly reduced.

Poverty reduction, reducing dependency, and increasing work effort are not inconsistent goals. In our free market economy, there is no guarantee that wages can pull a mother and her children out of poverty. Work is essential, but so are

work supports. I agree with Kaus that child care, health insurance, and increases in the minimum wage are all very important. But some working families also need monthly assistance like TANF and food stamps. The annual Earned Income

Tax Credit cannot be the only source of assistance for working families.

Food stamps, like child care assistance and Medicaid, are a way to supplement a family's earnings so that working poor families can escape poverty. Kaus' innuendo that food stamps go to "never-married mothers who stay home watching 'Jerry Springer,'" or that relaxing TANF time limits lets them off the hook, is facetious and misleading. Time limits

would only be relaxed for working families. Kaus fails to mention that close to 39 percent of food stamps go to households where *all* of the adults are either elderly or disabled, and that of recipient households with an able-bodied, non-elderly adult, most are either subject to the work requirements or are working.

In reauthorizing the TANF program, let's help all parents, including fathers, get work so they can support their children. And when they do work, let's ensure they receive work supports including food stamps, child care, and health insurance that help them escape poverty. Americans support work and reducing poverty. Kaus is right: The public supports helping the working poor. We need to find a way to do that despite the fact that we no longer have budget surpluses. ♦

Welfare Reform Revolution

Federal pronouncements about the importance of moving the poor from welfare to work are hardly new. Work requirements, for instance, were added to the now-defunct Aid to Families with Dependent Children (AFDC) program in 1972. Likewise, the Job Opportunities and Basic Skills Training (JOBS) program was passed in 1988 with the stated goal of helping families on welfare become self-sufficient.

Yet in most cases and most places, Washington's exhortations about the importance of work failed to transform the culture and operations of state and local welfare offices. The agencies and their employees never got the "work" signal and thus never passed it along to their clients. The transformation of welfare from a cash-assistance program that stressed eligibility determination and verification to one that emphasized getting people jobs and reducing dependency did not occur.

The 1996 federal welfare reform law broke that pattern. It sent a clear message to both the welfare bureaucracy and the larger community that the goal of the new Temporary Assistance for Needy Families (TANF) program was self-sufficiency. And the changes in the bureaucracy since then have been dramatic.

Field studies we conducted in 1997-98 and 2000 showed that most state and local welfare agencies are putting much more emphasis on

Changing the bureaucracy helped to break the welfare cycle.

by **Richard P. Nathan**
and **Thomas L. Gais**

the goals of employment and independence. The change in welfare's "front door" has been particularly striking. Many states now require people seeking welfare to register with a state employment or workforce-development agency as a condition for receiving assistance. Others, notably Wisconsin, Utah, and Florida, have shifted responsibility for welfare to their employment bureaucracies, which in many places operate "job centers" for all job seekers, not just those in need of temporary assistance. By imposing up-front work requirements and bringing employment and workforce-development offices into the picture, welfare reform reoriented state and local bureaucracies around work-related goals.

The 1996 law also prompted states to increase resources for critical work supports. Child-care spending in most states has risen 50 percent or more during the past five years, for example. We are also seeing increases in spending for transportation and job placement services, as well as smaller and less common increases for services such as post-employment counseling and training and substance abuse treatment.

Why have state welfare systems changed so dramatically after so many earlier reform failures? The strong economy of the 1990s is surely part of the explanation. Most states were flush with money toward the end of the decade, and they were more willing to spend it on child care and other relatively costly work-support services than they were just a few years earlier. At the same time, with unemployment in the private sector so low, states did not have to spend vast sums to create or subsidize jobs for those leaving welfare.

Other features of the 1996 law helped to refocus state and local welfare agencies on work. The five-year lifetime eligibility limit for federal cash aid certainly got the states' attention. They knew there would be no federal money available to support families that failed to achieve independence within that timeframe. State

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officials also knew that their federal welfare block grants would be cut substantially if they failed to move a large proportion of their recipients into jobs or off the rolls. Most state agency heads do not look forward to telling their governor or state budget director that they are responsible for a major reduction in a federal grant.

Also, unlike previous federal reforms, the 1996 law was not just a new set of directives from Washington to the states. Rather, it established a loose framework within which states could fashion their *own* programs, often with the involvement of governors and other top elected officials, to fit their own political and economic circumstances. The basic fact is that TANF is a *state* program, and its success is a *state* responsibility. State bureaucrats no longer deal with distant mandates enforced irregularly by distant officials. They are responsible to state policymakers, many of whom have a direct political stake in ensuring that these programs work.

For students of bureaucracy, the lessons of the 1996 welfare reform law are obvious.

First, it takes a clear policy signal to change bureaucratic behavior, one that is big enough to be widely noticed both within the pertinent government agency and the larger community. But even a strong signal may not be enough. Change occurs more widely and easily when the goal being sought is in line with prevailing social values.

Second, states and localities need financial and policy stability and time to achieve large, complex institutional changes. To us, this was one of the most striking findings about the implementation of the TANF program. Welfare agencies' administrative structures encompass thousands of contracts, memoranda of understanding, and agreements with a wide range of public and private agencies. Reorienting such a cast of actors toward a new objective is hard work. And it cannot be done overnight or in an atmosphere of uncertainty. ♦

Race to the Top

How we reformed welfare in Delaware.

by **Sen. Tom Carper**

When Bill Clinton declared in 1992 that we needed to "end welfare as we know it," many of the nation's governors cheered. We wanted to experiment — in some cases boldly — with our states' welfare programs.

At our annual meeting in early 1996, the National Governors Association unanimously adopted a set of principles to guide welfare reform. Families, we said, should be better off when a parent works rather than remaining on welfare. Cash benefits should be time-limited as a general rule. Reform should stress actual work rather than job training. Fathers should not have to abandon their families in poverty to enable them to qualify for welfare. And states should be freed from the one-size-fits-all mentality that governed how welfare operated.

Not everyone agreed on the need for comprehensive welfare reform. Nor did everyone agree with the notion of devolving power to the states. Critics warned of a "race to the bottom" in which states would slash recipients from the rolls and use the money intended for them for other purposes.

In most states, however, the feared race to the bottom turned out to be a race to the top. States have used waivers from Washington and the flexibility granted them by the 1996 welfare reform law to ensure that the majority of families who move from welfare rolls to payrolls are truly on their way to becoming better off.

My home state, Delaware, is a case in point. When persons walk into a welfare office seeking cash assistance, they are asked, "How would you like to go to work instead?" If they lack the skills for an available entry-level job, the state provides them with training. The government contractors who actually do the training are paid in part on the basis of whether their trainees remain in the workforce.

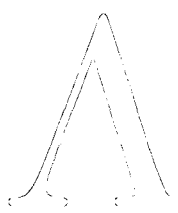
Not all of these new workers have their cash assistance cut off all at once, either. Instead, welfare payments for workers whose incomes are still well below the poverty rate are gradually phased out as their take-home pay rises. We also expanded eligibility for child care dramatically. And many of these new workers can obtain health care coverage for all of their children up to age 19 for just a dollar a day.

As Congress and President Bush prepare to reauthorize welfare reform in 2002, what should be on the agenda? States suffering high unemployment need to be able to tap into their welfare "rainy day" reserve funds more easily. The food stamp program does not work as effectively as it could. And the subject of responsible fatherhood deserves special scrutiny.

But the old adage, "If it ain't broke, don't fix it," certainly applies to reform's "work-first" approach. We must not change welfare's new focus, even as we build on the many positive changes that we've made.

Sen. Tom Carper (D-Del.) served as his state's governor from 1993 to 2001 and was chairman of the National Governors Association from 1998 to 1999.

Promoting *Marriage*...



Among conservative advocates, there is a growing view that the second round of welfare reform should focus on marriage promotion as a central objective. Pointing to the undisputed economic benefits of marriage, supporters of this agenda argue that marriage could prove a panacea for women and children in poverty. But, in fact, government programs have no track record in this area. Whether government programs can effectively promote marriage is thus far from certain.

Of course, the advantages of marriage are clear. Only 6 percent of married couples with children are poor, compared with 36 percent of female-headed families. Divorce sharply reduces the economic resources available to women and their children, while remarriage is associated with economic recovery. Unmarried persons have poorer physical and emotional health, higher mortality, and are more likely to engage in "risky" behaviors, including drug and alcohol use. Perhaps most important of all, children do best when raised by their two biological parents.

Clearly, from a public policy standpoint, the government — through reauthorization of welfare reform legislation and other initiatives — should not be indifferent to marriage as a fundamental institution in American society. Nor should it shy away from programmatic efforts to strengthen marriages and reduce divorce. But overemphasis on marriage promotion should not distract us from a more troubling long-term social problem: the 1 million or more babies born each year to unmarried women. While marriage can be a pathway from poverty, it seems to work only if women get married, stay married, and marry well.

Continued on page 36

Reduce unwed
childbearing first.

by **Daniel T. Lichter**



A BAD START: One million babies are born annually to unmarried women.

The Marriage Debate

...Abstaining from Sex

Messages matter, and changing the culture to make abstention and birth control 'cool' will further reduce teen pregnancy.

When Congress passed the welfare reform law in 1996, it not only wanted to encourage work but also to reduce out-of-wedlock childbearing. Although the results of the legislation have been most dramatic in the case of the work-related goals, considerable progress has also been made in meeting the family formation purposes of the law. The proportion of all children born out of wedlock has leveled off after having increased steadily for many years, in large measure because both teen pregnancy and teen birth rates have declined by about 20 percent since the early 1990s. These declines show that progress on what was once seen as an intractable social problem is possible.

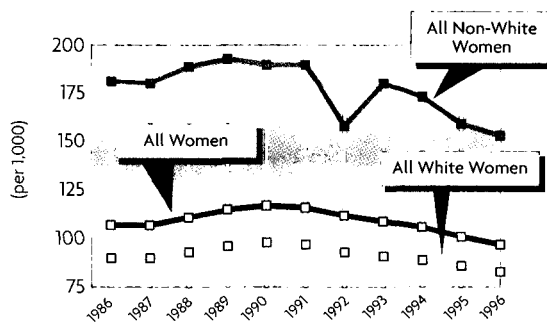
Despite this progress in curbing teen pregnancy, it should be noted that the United States still has very high rates compared with other industrialized countries. Four out of 10 girls become pregnant before their twentieth birthdays and two out of 10 go on to become single mothers. These high rates of teen pregnancy contribute to high rates of out-of-wedlock childbearing, increased numbers of single-parent families, welfare dependency, and child poverty. Half of all out-of-wedlock childbearing begins in the teenage years, and half of all welfare recipients had their first baby as a teen. Consequently, as Dan Lichter has shown, reducing early childbearing may be one of the most effective ways to improve the marriage prospects of low-income women and ensure that more children grow up in stable families.

Continued on page 36

by Isabel Sawhill

Teenage Pregnancy Rate

Women from the ages of 15 to 19 years old



SOURCE: Alan Guttmacher Institute

GOOD NEWS: Teen pregnancy rates, after rising for decades, fell 20 percent in the 1990s.

Promoting Marriage

Continued from page 34

Unwed childbearing drastically reduces the likelihood that this will happen.

Ultimately, marriage promotion must begin by discouraging out-of-wedlock childbearing.

Getting married may be one solution to low income and poverty, but only if low-income unwed mothers are, in fact, able to marry. Most studies attribute low marriage rates to shortages of economically attractive or "marriageable" men. But too often we fail to appreciate that unwed childbearing also greatly diminishes women's own marriageability.

A study by Kelly Raley at the University of Texas shows that only about 10 percent of unmarried pregnant women marry the father before giving birth. For women without partners, unwed childbearing reduces the ability to find a spouse. Out-of-wedlock childbearing lowers rates of marriage and leads to higher rates of poverty and welfare dependence. My research with Deborah Graefe and J. Brian Brown, for example, showed that 87 percent of all women today are expected to have their first marriage by age 40. For women with a nonmarital birth, the corresponding figure is only about 70 percent. Unwed mothers are 30 percent less likely to marry in any given year than otherwise similar childless women.

Staying married also is made more

difficult by unwed pregnancy and childbearing. Hasty marriages motivated by a nonmarital pregnancy are highly unstable, with divorce rates well above the national average. Unwed mothers also are more likely than other women to be involved in unstable or serial relationships. They are more likely to move into and out of cohabiting relationships and are substantially more likely to be divorced or remarried than are women who wait to have children until after they marry.

Marrying well. The statistics in this regard are dramatic. Data from the *National Survey of Family Growth* indicate that only 30 percent of teen unwed mothers who marry are still in first marriages today. Moreover, among women who have borne

...Abstaining from Sex

Continued from page 35

For all of these reasons, it is important to maintain the momentum generated by the 1996 law. The data show that teens are less sexually active and better users of contraceptives than they were a decade ago.

But it would be a mistake to conclude that preventing teen pregnancy is *only* a matter of teaching kids about reproductive biology and handing out condoms in schools or clinics. Today's teens are well-informed about the birds and the bees, and condoms are widely available in drug stores and supermarkets. What is needed in addition to sex education and family planning services is a change in the culture to make abstaining from sex as well as using birth control seem more attractive, even "cool."

But how do we create these new attitudes? Partly by building on the growing realization among teens that sex has more serious consequences

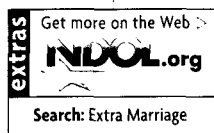
than ever before. Chief among these consequences are sexually transmitted diseases and HIV infection. But the messages about consequences being delivered by the 1996 welfare law are also important. To young women, the law says that if they have babies out of wedlock, they will be required to work and will receive time-limited assistance from the welfare system. To young men, it says that if they father a child, they will be expected to contribute to its support. Research is now beginning to suggest that these messages matter. An Urban Institute study, for example, shows a bigger decline in single parenting among subgroups most likely to have been affected by reform than among those least likely to have been affected.

TV plays a role. Welfare reform's messages have been the sticks that motivate young people to abstain from sex or to use birth control. But there have been positive messages as well, messages that suggest that sex with the right person and in the right circumstances is worth waiting for. These more positive mes-

sages are coming from parents, from faith communities, and increasingly — if belatedly and infrequently — from media campaigns and programs that teens watch.

Some of the abstinence education money that was included in the 1996 bill has been used by states to fund media campaigns. National nonprofit organizations have played a role as well by working in tandem with the media to influence entertainment programming. When a teen's favorite character on TV, in an emotionally charged and dramatic situation, decides not to have sex or discusses

the issue with a parent or a friend, more "education" can take place than in any school classroom. For example, the National Campaign to Prevent Teen Pregnancy is working in partnership with the WB Network. In one of their shows, "7th Heaven" (with 3.3 million viewers), a teenager pressured by her boyfriend to have sex not only refuses but ends the relationship. The message that comes through is that honest communication and mutual respect are important in relationships.



children out of wedlock, more than 10 percent are divorced for the second time but not yet remarried. In contrast, nearly 60 percent of married women (without a nonmarital birth) remain in first marriages, while only 20 percent are in later marriages. The lesson is clear: Unwed childbearing often marks the beginning of a series of unstable marriages or relationships with live-in boyfriends. The best way to stay married is to avoid unwed childbearing in the first place.

Finally, unwed mothers are less likely to *marry well*, that is, to marry an economically attractive man who can provide enough family income to lift her and her children out of poverty. Unwed mothers who marry are substantially more likely than other women to be poor. In 1995, 30 percent of these mothers were poor, compared

with only 8.4 percent of women who had a marital birth and 4.6 percent of women who were childless.

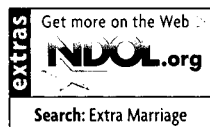
Part of the reason is that they are less likely to marry good providers. Our research shows that, among non-Hispanic white women, 57 percent of those without a nonmarital birth eventually married men with more than a high school education. This compares favorably with the 37 percent observed among teen mothers and the 42 percent among older unwed mothers. Nearly 70 percent of white women without a nonmarital birth were married or cohabiting with men earning \$30,000 or more. This compares with only 48 percent among non-Hispanic white unwed teen mothers who married.

Even if women with similar levels

of education are compared, unwed mothers are more likely to marry men with low levels of education and low earnings potential.

For the minority of unwed mothers who get and stay married, marriage confers clear economic benefits, if measured by reductions in poverty and welfare dependence. This is especially true for women with disadvantaged family backgrounds. For most unwed mothers and their children, however, marriage offers, at best, only temporary relief.

Until we carefully evaluate which state marriage promotion programs are effective, the best approach is a slow one. If marriage is a realistic public policy goal, then we must first attend to the business of reducing unwed childbearing. ♦



Through efforts such as these, we have an opportunity to change social norms and practices. Although the data show that today's teens have more conservative attitudes about casual sex than did their older brothers and sisters and are beginning to behave accordingly, a much broader effort is needed.

None of this is meant to imply that sex education, after-school programs, and family planning services should be neglected. It is only to argue that they need to be supplemented by direct efforts to change the culture. The evidence suggests that such efforts work and that more resources should be devoted to this end. A review of 48 different health-related media campaigns, from smoking cessation to AIDS prevention, found that on average such campaigns led 7 percent to 10 percent of the target audience to change their behavior (relative to a control group). Compared to sex education or after-school programs, such efforts can reach large numbers of teens very cheaply, and with these kinds of benefits, they ought to be expanded. The social norms that made early sex and pregnancy unacceptable in the 1950s may

never return, but the more permissive norms of the 1970s and 1980s are now being rejected amid the realization that the excesses of that era carried enormous human and social costs.

Emphasize work. How can we strengthen this new norm of responsibility and build on recent successes in reducing teen pregnancies?

First, Congress should maintain the emphasis on work, on child support enforcement, and on an abstinence message when it rewrites the 1996 welfare law in 2002.

Second, it should provide adequate resources and flexibility to the states so that they can expand their efforts to prevent teen pregnancy. A strong abstinence message is totally consistent with public values, but the idea that the federal government can, or should, rigidly prescribe what goes on in the classroom through detailed curricular guidelines makes little sense. Family and community values, not a federal mandate, should prevail.

Third, a federally funded national resource center that focused on what worked and disseminated the results

to states and communities would help to ensure that their efforts were better supported and more effective.

Fourth, the federal government should fund a national media campaign. Although there are now a number of community programs that have proved effective, the burden of reducing teen pregnancy should not rest on programs alone. Funds should be provided to support not only well-designed public service ads but also various non-governmental efforts to work in partnership with the entertainment industry to promote more responsible media content. The messages embedded in ad campaigns will vary, but South Carolina's "First Things First" campaign is an interesting model. Their message is simply "get an education, get a job, get married, then have a child."

The bottom line is that messages matter. Working through nonprofit and faith-based organizations, government can shape the culture. That may be the key to continued progress in reducing teen pregnancy, out-of-wedlock childbearing, welfare dependency, and child poverty. ♦

How to Modernize Unemployment Insurance

by Robert D. Atkinson



An industrial-era program, unemployment insurance needs urgent reform to work for the New Economy.

CHANGING LINES: Today's unemployment rules exclude many part-time workers, former welfare recipients, and low-wage immigrants. Congress and the states can change that and turn the safety net into a trampoline.

The current economic downturn has focused attention on considerable deficiencies in our nation's unemployment insurance system (UI). The system especially fails workers who do not fit the traditional profile of the full-time, permanent, moderate-income employee.

Many of the growing number of contingent and part-time workers cannot qualify for UI because they earn too little, work part-time, or are new to the labor force. This includes many workers who formerly collected welfare. As we move into a world where everyone is expected to work, we need to uphold our bargain with those who left welfare for work so that they do not fall back onto public assistance.

An industrial-era program, UI is in dire need of reform to make it

work for the New Economy. Unemployment insurance is a federally managed, state-run program. Employers pay a tax on each worker based on the overall unemployment rate, the level of state benefits, and their "experience rating," which is based on the magnitude of prior claims made by their workers. When workers lose a job through no fault of their own, they are eligible to collect benefits for a maximum of 26 weeks. To be eligible, workers must have earned a certain minimum amount and worked a minimum number of weeks in the prior year.

When Congress created the UI system in 1935 the goal was to give income support to full-time workers between when they were laid off and called back to work. Today, most workers are never called back to their previous jobs and many need to upgrade their skills.

As the nation's principal safety net for helping those who lose their jobs, UI has lagged behind various economic changes. While approximately half of all unemployed workers received UI benefits in the 1950s, only about one-third do today. As a result, UI now plays a diminished counter cyclical role in helping to moderate recessions. And in a more competitive, globalized, and technology-driven economy, a weakened UI system reduces the safety net for workers, making them less likely to support the New Economy.

To respond to these changes, we need to reform unemployment insurance for the New Economy. Policymakers should take five steps:

1. *Make it easier to qualify.* Although UI rules vary from state to state, they typically exclude people who do not fit the traditional profile of a laid-off worker. Workers coming off welfare, and low-wage and non-traditional workers in general, face a number of barriers. First, states set a minimum threshold on earnings in a base period, which is typically defined as the first four of the last five full quarters a worker has been employed. But low-

wage workers are almost twice as likely to have not worked more than 35 weeks prior to unemployment than are higher-wage workers. In some states part-time and low-wage workers may not earn enough to qualify. For example, a worker in Florida must have earned \$3,400 in the base period to be eligible, meaning a person earning minimum wage at a part-time job must have worked for 33 weeks to qualify for UI. Most base period requirements also either exclude workers who have recently re-entered the work force and been laid off or award them benefits for a significantly shorter duration. While intended to give states time to gather employment records, restrictive base-period rules are no longer needed in the Internet era.

Finally, to be eligible for benefits, workers must constantly look for work and be willing to accept permanent full-time employment. Yet many workers, including many former welfare workers, can only work part-time. As a result, part-time workers who are laid off are one-third less likely to receive UI. Because of all of these restrictions, only about 20 percent of unemployed welfare workers will collect UI benefits under the current rules.

To remedy these deficiencies, states should let workers who can only accept part-time work qualify for UI if they were laid off from a part-time job; lower minimum earning requirements so that more low-wage workers qualify; and enable workers to qualify on the basis of earnings in their most recent quarter. Eleven states already allow such "alternative base periods." Doing this would enable 400,000 more individuals to be eligible for coverage.

2. *Set a limit on the race to the bottom.* As competition to attract business has heated up, efforts by states to cut UI taxes on employers (and hence benefits) in the name of a "good business climate" have grown. Studies suggest that as much as 55 percent of the decline in UI reciprocity and 58

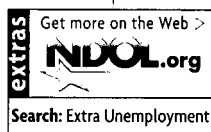
percent of relative decline in benefits are due to such interstate competition. Some changes states made, such as tightening up the restrictions on workers who quit, made sense. But others were done solely to cut UI taxes and attract new businesses.

Many states seek competitive advantage by having the lowest benefits and taxes. An unemployed worker in Mississippi receives an average of only \$146 a week, compared to a Hawaiian worker who receives \$269. The minimum weekly benefit a worker gets in Oklahoma is only \$10, compared to \$94 in Oregon. Because the maximum weekly benefit in Arizona is only 38 percent of the average weekly wage, most laid-off workers suffer large income drops. Many states also control costs by keeping eligibility rules strict. Only 18 percent of unemployed workers in New Mexico received UI in 1995, compared to 72 percent in Rhode Island.

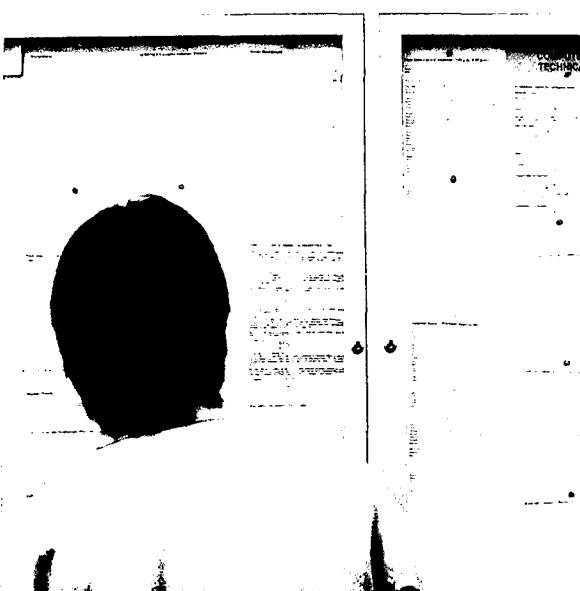
Absent federal intervention, many states will continue to reduce UI benefits and taxes. To fix this the federal government needs to set a national floor on state tax rates. There are four things Congress can do.

First, Congress should raise the minimum wage base on which UI taxes are levied from \$7,000 (its level since 1983) to \$11,000 and index it to inflation. Doing so would reduce the disproportionate employer tax burden on the wages of low-wage workers.

Second, Congress should increase the effective federal unemployment insurance tax rate from 0.8 percent to 1.1 percent and remit the funds to states based on their unemployment rate. Increasing the federal tax would create a national floor for UI taxes and benefits since all states would have a tax rate of at least 1.1 percent (on a wage base of \$11,000). Because this floor is below the rate responsible states now set, these states would likely use the revenue remitted to them to drop their rates a corresponding amount. But tax



JOB SEARCH TIPS



STARTING OVER: States need to let laid-off workers collect UI even while upgrading their skills for New Economy jobs.

rates would rise for the employers in about 40 percent of the states now paying less than 1.1 percent in UI taxes. These states could use the increased revenues on job training, job search assistance, higher benefits, or broader eligibility.

Third, Congress should return to the states the excess federal unemployment taxes in the federal UI trust fund. Congress should not spend taxes collected from employers for unemployment insurance to pay off the national debt. For example, in 1998 revenues collected under the Federal Unemployment Tax Act were \$6.2 billion, of which only \$3.6 billion were appropriated for state and federal UI administration. The balance should be returned to state UI trust funds.

Fourth, Congress should exempt the first \$2,500 of UI benefits from federal taxation. In 1986, Congress subjected all UI benefits to federal income taxes, lowering the after-tax value of benefits and reducing the number of people receiving UI. Exempting a share of UI benefits from income taxes would provide a more generous safety net, while preserving

incentives to get back to work.

3. Make UI a trampoline, not just a safety net. At its heart the UI system is designed for a world in which job skill requirements remain constant. The overriding goal remains to get workers back to work as soon as possible in their existing occupations. Yet in a rapidly changing labor market based increasingly on technology and higher-skill work, many unemployed workers need to upgrade skills to succeed. There are three steps state governments should take to remedy this.

First, they should make it easier for laid-off workers to collect UI while they are upgrading their skills for new employment, even if their skills are not obsolete. Federal law says that states may not deny benefits to unemployed workers who are in qualified training programs, but leaves it up to the states to define which programs qualify. As a result, with eligibility requirements that are obscure and often capricious, many states make it next to impossible to qualify.

Second, the states should provide extended benefits to dislocated workers collecting UI who are in training. A number of states, including California, Massachusetts, Michigan, and Oregon, provide additional weeks of benefits to workers who have been dislocated and are in approved training.

Third, the states should use UI funds to help companies train workers in order to avoid layoffs and better position their workers. Many states, including Delaware, Minnesota, Massachusetts, New Jersey, Rhode Island, and Tennessee, assess a small surcharge on the UI tax to pay for employer-based training.

4. Stop using UI to subsidize com-

panies that lay off workers. Companies' tax rates are supposed to be experience-rated — the more they lay off workers, the higher their rate. But states cap the top rate and have a floor on the lowest rate. The result is that some companies are assessed a lower tax rate than they would otherwise pay, while employers who seldom lay anyone off pay more. Because of this, approximately 18.4 percent of benefits cannot be charged back to employers, since their tax rates cannot be raised. Not only is this unfair to other firms that must pick up the tab through higher tax rates, but it reduces the incentive for these firms to not lay off workers.

States should raise the top rates and lower the bottom rates, as Rhode Island recently did. But most states are unlikely to do this since the firms paying the top rate usually fight it. So Congress should require that total ineffectively charged benefits can be no more than 10 percent of the total benefits in any state. In other words, benefits paid out of the general UI fund that otherwise would be paid by the firm if it had been fully experience-rated can be no greater than 10 percent of total benefits.

5. Make UI work in the recession. Congress established a program that extends UI benefits for a minimum of 13 weeks in states that meet certain unemployment rate trigger mechanisms. But since 1983, only 12 states have triggered the program. One reason is that the measure used, the insured unemployment rate, has declined as fewer workers qualify for unemployment insurance. Congress should lower the extended benefits trigger from 5 percent of insured unemployed to 4.5 percent.

In sum, the nation needs a robust UI system, not just to help workers in a volatile New Economy, but to reduce the duration and depth of economic downturns. It is incumbent upon Congress and the states to reform unemployment insurance to meet the realities of the New Economy. ●

Let's Put Dads

to Work

Too many fathers don't pay child support.
Requiring them to work could change that.

by **Bruce Reed**

No group of Americans made more progress in the 1990s than poor, single mothers. The poverty rate for female-headed households fell to a record low. Poverty fell faster among single mothers than among married couples. A record number of Americans left welfare for work, and today those still on welfare are five times more likely to be working than they were in 1992.

The nation's welfare mothers delivered a profound rebuke to those who had written them off as broken people who could not or would not work. Inspired by their courage, businesses stopped shunning former welfare recipients and started hiring them. The next generation of young women seems to be getting the message, too: Teen births dropped 20 percent in the 1990s, and illegitimacy leveled off after increasing six-fold in the previous three decades.

Only one group doesn't seem moved by the sight of women



MORE THAN A CASH MACHINE: When dads pay child support, it draws them closer to their kids.

leaving welfare: the men who helped put them there. Despite stricter laws and a record increase in collections over the past decade, most poor children still don't receive child support. The world of work, now home to so many poor single mothers, is still a strange land to too many poor young men. For example, according to Georgetown University Professor Paul Offner, the employment rate of young black women went up an extraordinary 18 percent over the last seven years. Yet during the longest economic boom in history, the percentage of young black men who were either working or looking for work actually went down.

Poor mothers shouldn't have to carry the whole load. The last round of welfare reform made the 1990s the

work decade for poor women. The next round of reforms must make the 2000s a decade of work and responsibility for poor men.

Like welfare mothers before them, what low-income men need most is the dignity, duty, and discipline of work. It is time to lay down an ironclad rule: Anyone who fathers a child has a responsibility to help support that child. We should give poor fathers the skills they need to get a job,

but if they owe support, they must go to work and pay it.

Making all fathers work off the child support they owe isn't as hard as it sounds. Congress will never go for a universal public jobs plan. But the success of welfare reform in the 1990s suggests that we can put most people to work even without such a plan. While a good economy helps, the real key is instilling the right expectations on individuals, businesses, and state bureaucracies.

Requiring work. A handful of states and counties already compel delinquent fathers to work. In Indianapolis, judges order fathers who owe more

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than \$500 in child support to go to work. If a father needs help finding a job, the prosecutor's office refers him to a private employer. If he needs basic skills, he's referred to Goodwill Industries or America Works. Fathers who refuse to work are ordered to perform community service, although many choose to pay their child support debts instead.

A statewide program in Georgia requires delinquent fathers to work 20 hours a week while getting job skills so they can make good on their child support. In Florida, the Noncustodial Parent Employment Program has placed more than 3,000 parents in jobs at an average wage of about \$8 per hour. Parents report seeing their children twice as often — and the state recoups \$4 in welfare and child support costs for every dollar it spends on the program. In both programs, judges give fathers a choice: Go to work or go to jail.

The goal of requiring work isn't to punish fathers, any more than work-based welfare reform was designed to punish mothers. The real goal is to make states and the federal government get serious about two huge obstacles to overcoming poverty: collecting child support and getting low-income men into the work force. Uncollected child support is not only a collective moral failure; it's our most neglected weapon against poverty. To the fraction of poor children who actually receive it, child support is worth an average of \$2,000 a year — a quarter of their family's annual incomes. Poor men who don't work create a host of other social problems. They also represent the nation's greatest underutilized economic asset.

When it reauthorizes the welfare reform bill later this year, Congress should require every state to make absent fathers work off the child support they owe, and back it up with some resources. The 1996 welfare law included a performance bonus to reward states that did the best job in putting mothers to work. The next



law should include a substantially larger work bonus that rewards states for the progress they make in putting *all* low-income residents — men as well as women — to work. That would convince states to offer all poor people the same job placement services they now offer the shrinking population of women on welfare.

Congress also should broaden the successful Work Opportunity Tax Credit to let businesses write off part of the cost of hiring *any* low-income person, not just those leaving welfare or getting out of prison. For the hardest to employ, whose resumes may list little more than jail time, Congress should help states fund transitional public jobs that combine work experience and training.

Shotgun marriage. Where welfare reforms of the 1990s did ask more of men, the gains were significant. That is the best evidence that a substantial bonus for states, a stiff requirement for fathers, hiring credits for business,

PAY NOW: The "work first" rule should apply to delinquent dads just as it does to welfare mothers.

and temporary work subsidies for the toughest cases could make a real difference. For example, now that all hospitals make it easy to identify the father, paternity establishment has tripled. Sexual activity among teen boys, up sharply in the 1980s, has decreased. Sending a clear signal that fatherhood has inescapable consequences could prevent even more young men from becoming fathers before they're ready.

At first glance, you might expect broad bipartisan support in Washington for making fathers work. Sens. Evan Bayh (D-Ind.) and Tom Carper (D-Del.), who made fatherhood a central focus of their governorships, are determined to place fatherhood at the top of the welfare reauthorization agenda. When Bayh held a fatherhood summit in June, 2001, he got the Father-in-Chief, President Bush, to show up. Bush

even offered gracious words about "great Democrats like Al Gore and Joe Lieberman," who in the 2000 campaign had called for making fathers the central focus of welfare reform.

But beneath the welcome bipartisan consensus that fathers matter lies a deep philosophical divide that may keep Congress from doing enough for them or asking enough of them. Conservatives just want fathers to marry the mothers — a noble goal, but one that even the right wing isn't sure government can do much about. Many liberals worry that the current system is already too onerous for low-income fathers, and that getting tougher will just drive men further from their families.

These aren't crazy arguments. Marriage is a near-certain ticket out of poverty if you can stick to it. Many absent fathers are deadbeats only because they're dead broke.

The trouble is, opponents on the left and right raised similar objections against requiring welfare mothers to work in the 1990s: that they were too fragile, that their children would suffer, that we should try to marry them off instead. Had those objections prevailed, welfare mothers would barely have improved their lots in the past five years.

Consider the two arguments in turn. For decades, the conservative position on welfare reform was uninformed, but clear: the "welfare queens" about whom Ronald Reagan loved to make up stories should have to go to work. Once Bill Clinton called for ending welfare as we know it, conservative thinkers like Charles Murray and William Kristol concluded that simply requiring work must somehow be too easy. But Murray's alternative — cutting unwed teen mothers off welfare and putting their children in orphanages — was a draconian political donnybrook. Even conservative governors like Tommy Thompson and John Engler agreed with Clinton that the smartest way to reduce illegitimacy and dependency was to move people from welfare to work.

The conservative case will fall apart again this year, for the same reason:

You can bring a couple to the hitching post, but you can't make them wed. Except for Murray, no policy analyst suggests conditioning welfare benefits on getting married. Conservative activists such as Robert Rector of the Heritage Foundation want to require states to spend 10 percent of the welfare block grant to promote marriage, but no state has a clue about how to do it. Rector also wants to make every state establish an Office of Marriage Initiatives. You know conservatives are desperate when they're calling for new bureaucracies and set-asides. Next, they'll propose a partnership with the National Rifle Association to bring back shotgun marriages.

There's nothing wrong with a little paternalism in social policy. But in their zeal to promote marriage, conservatives forget to ask whether the men are worth marrying. Society should send the same message that fathers have given prospective sons-in-law for generations: Get yourself a job, young man, then maybe we can talk about marriage.

Fatherhood and apple pie. By contrast, the liberal view on fatherhood at least has the virtue of being realistic. Liberals point out that the plight of poor young minority men is, if possible, even worse than that of welfare mothers before they started working. Not only are these men dirt-poor, but the government neglects them altogether. Only a handful of states still have general assistance programs that provide welfare to low-income men. At conservatives' insistence, the 1996 welfare law severely cut back food stamps for men. Most low-income fathers have few skills; many went to prison instead of college. They have come to be known as "deadbrokes" because they're hounded for child support they can't pay, and find themselves with crushing arrearages that often force them to take jobs that pay under the table.

Moreover, while the old welfare system is gone, its perverse impact on relations between poor men and poor

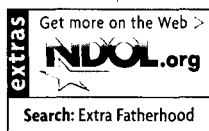
women is still palpable. With good reason, single mothers struggling to raise their families against all odds deeply resent the men who put them there and walked away. But what's truly remarkable is the resentment those men feel in return. Many actually think that welfare mothers are on easy street because the government helps them find work and put food on the table.

By and large, liberals are right about poor fathers' lousy lot in life. Unfortunately, without a central focus on work, the traditional liberal approach won't do much to change it. Many women's groups oppose spending money to put fathers to work on the grounds that it will take resources away from needy mothers. Some even fear that helping men work is a step backward that might return poor women to financial dependence.

Meanwhile, for all their good intentions, some in the fatherhood-and-apple-pie crowd are making the same mistake as those who spent the 1970s and 1980s telling Democrats not to talk about two-parent families. Over the last decade, fathers' rights groups have successfully purged the phrase "deadbeat dad" from the political lexicon, on the grounds that not all deadbeats are fathers, and that it was demoralizing to be called a deadbeat. The facts are less forgiving: About 60 percent of poor children don't get the child support they should. About 85 percent of those who don't pay are men.

Indeed, the language of the current fatherhood debate doesn't bode well for its success. The Bush administration's "fatherhood initiative," like Robert Rector's "marriage initiative," runs the risk of checking a

box without providing the one thing these men need — the initiative to go to work. The contrast with the last welfare debate is revealing. In 1992, if Bill Clinton had proposed a "motherhood initiative" instead of a welfare reform plan, Americans would have thought he was running for prime minister of Sweden. It could never have



passed, and it would never have worked.

Advocates are right to remind us that there's more to fatherhood than paying child support and that society would be wrong to look at dads as just cash machines. When four out of five children with absent fathers don't see them even once a week, Barbara Whitehead is right to say that the children need more than "paper dads."

But those are good arguments for asking more of fathers, not less. The fatherhood movement, which has done such a good job of emphasizing fathers' emotional responsibilities, needs to be firmer still about their financial ones. No father's duty stops with paying child support, but no child can feel valued unless it starts there. As Bill Clinton said a decade ago, "When fathers pay their child support, they rediscover a connection that they and their children need."

We didn't require welfare moms to work because they were bad moms. We did so in hopes that their children would be better off growing up in a world where work was the norm. Responsibility should be the norm, too. Imagine the double-barreled impact on teenage boys of growing up with an understanding that fatherhood means a lifetime of responsibilities — and with a father who lives up to them.

Fathers need those norms as much as their kids do. Providing for our children is an essential part of what makes us tick. The old welfare system denied women that chance, and letting men off the hook cheats them of it as well. Asking too little of fathers ultimately diminishes them in their children's eyes — and in their own.

That's why the best thing the fatherhood movement could do for poor fathers in the coming welfare debate would be to take up the challenge of making them work and helping them do so. If we expect too little of men, we know exactly what we'll get. If we expect a great deal, they just might surprise us. ●

Demanding Responsibility

by Sen. Evan Bayh

Single mothers have been heroic in raising their children. Now it's the men's turn.

by **Sen. Evan Bayh**

The historic welfare reform bill of 1996 had, at its core, one fundamental principle: Personal responsibility should accompany government-provided opportunity. Over the last five years, we have seen the results as Americans were empowered to get jobs, to collect a paycheck, and to provide for their families. Millions of people who used to be dependent on welfare are now self-sufficient.

But the "first generation" of welfare reform demanded responsibility only of custodial parents, mostly single mothers. While women with children were required to leave the welfare rolls within five years and become self-sufficient, parents who were non-custodial — mostly men — were left out of the equation.

Now, five years later, as we embark on the next generation of welfare reform, it's time we demand that men live up to their responsibilities too. It's not right for a man to bring a child into the world and just walk away, leaving mothers and taxpayers to pick up the bill.

The reforms of 1996 were successful: Welfare caseloads have declined from just over 5 million in 1994 to just over 2 million in

Sen. Evan Bayh (D-Ind.) is chair of the Democratic Leadership Council. He also serves on the Senate Banking Housing and Urban Affairs Committee, on which he is chairman of the subcommittee on International Trade and Finance.



COMING HOME: We should encourage men not only to pay their share, but to do their share for their children.

2001. Today, 73 percent of single mothers are working, up from just 57 percent nine years ago. Most important, the poverty rate among American children has declined by a third.

However, hidden within those numbers is a telling statistic about who is really hurt when fathers do not take responsibility for their children. The poverty rate for children living in married families is about 8 percent; in families headed by a single mother it is roughly 40 percent.

As the successes of welfare reform become clear and the number of single mothers finding self-sufficiency continues to rise, so too does the number of American children who go to bed each night without a father in the house. Today, 17 million children — more than three times as many as 40 years ago — live in fatherless homes. The absence of fathers has substantial consequences for our broader society as well as for the children. Research indicates that if you are a child living without your father, you are five times more likely to live in poverty, twice as likely to commit a violent crime, twice as likely to be involved with drugs or alcohol, twice as likely to drop out of school, and much more likely to become pregnant as a teenager — and the list goes on and on.

Mothers — especially single mothers — have been heroic in their

efforts to raise our nation's children, but they should not be expected to shoulder the burden alone. At the time of welfare reform in 1996, few were asking where the fathers of these children were and what contributions they should be expected to make to help move their families off of welfare.

Welfare in America has traditionally been focused on providing assistance to needy children and promoting the self-sufficiency of their parents. In 1996, two new goals were added to the program: reducing the incidence of out-of-wedlock pregnancies and promoting the formation and maintenance of two-parent families.

To achieve each of these goals, we will have to make specific demands of American men: First, act responsibly and do not bring children into the world until you are prepared to support them both emotionally and financially; and second, if you do have a child, do all you can to meet the very serious obligations of fatherhood.

Welfare reform is the right place to demand male responsibility and face the challenges of fatherlessness. I have coauthored bipartisan legislation with Republican Sen. Pete Domenici that highlights the importance of families and marriage to child development and aims to promote responsible fatherhood through public

awareness, community involvement, and the removal of federal barriers to active fatherhood. We reach out to try and persuade men to be responsible in the first place and to wait until they're prepared to assume the awesome responsibilities of bringing a child into the world — and when they do so, to do right by that child.

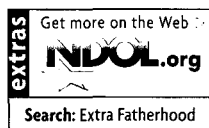
While states currently have the flexibility to provide services to fathers, there are no incentives in place to encourage them to do so and no explicit direction on how to provide men with the tools they need to act more responsibly. The only form of paternal involvement directly mandated by current law is to provide child support. As a result, states have spent only one-half of 1 percent of their federal welfare dollars on services that directly incorporate non-custodial parents.

Our approach is focused on helping children, but it has the added benefit of being in the best interest of taxpayers as well. In Washington, we vote on budgets that allocate hundreds of billions of dollars to deal with the symptoms of what really is a deeper problem. If we're going to save taxpayer money and make progress in combating juvenile violence, if we're going to make progress against drug and alcohol addiction, if we're going to make progress in improving education and employment opportunities across this country, we need to make progress first in strengthening families and helping them to raise our children.

If we demand responsibility from men, it will be good for our children, helpful to mothers, beneficial for tax-

payers, and an added strength to our society. And while there is no legislation that we can enact into law that will mandate responsi-

bility or create strong families by itself, we owe it to our children to try by making sure that the next generation of welfare reform demands responsibility from men. ♦



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is one of the best
guarantees of a
continuing democracy.”*

– Harry F. Banks



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National service after 9/11

In politics, some of the best “new ideas” are actually old ideas that finally have met their moment. So it is with national service.

The idea originated with the philosopher William James, who in 1910 proposed a system of national service to “inflame the civic temper” and serve as “the moral equivalent of war” in rallying Americans around common purposes and

service to their country. Like his Gilded Age contemporary, Teddy Roosevelt, James worried that America’s newfound wealth would make its young soft and selfish, sapping the hardy pioneer spirit that had built the nation.

This concept kept resurfacing in one form or another for decades, but it wasn’t until the 1980s that a serious attempt was made to give it concrete expression. The catalyst was the founding of the Democratic Leadership Council, whose leaders made national service the chief emblem of their campaign to revitalize and modernize progressive politics.

New Democrats saw national service as a challenge both to the entitlement mentality of the something-for-nothing Left and the social Darwinism of the every-man-for-himself Right. By proposing a large-scale national service plan that linked public benefits (college aid) to public service, New Democrats sought to strike a new balance of citizen rights and responsibilities. This plan sparked a wide public debate and inspired President Clinton’s 1993 national service proposal, which created the AmeriCorps program.

Now, as America wages war against global terrorism, and as citizens seem to be yearning for a summons to service and sacrifice in our nation’s cause, there’s a new push to expand national service. Last October, Sens. Evan Bayh (D-Ind.) and John McCain (R-Ariz.) introduced the Call to Service Act. It marks a milestone in the evolution of national service in four crucial respects:

First, the Bayh-McCain bill aims at taking national service to truly national scale. Having seen AmeriCorps develop and prove its value since its creation eight years ago, the bill’s sponsors propose to quintuple its annual enrollment, to 250,000. By dramatically expanding opportunities to serve, the bill moves us closer to the day when national service will be a common expectation of citizenship, a rite of civic passage for young Americans seeking to give something back to their country.

It also seeks to tap the nation’s growing pool of talented retirees by expanding eligibility for Senior Service programs and allowing elderly volunteers to earn “Silver Scholarships”

that they can pass on to their grandchildren. And in another key provision sure to be controversial, the bill requires colleges to move a quarter of their “work-study” students into community service.

Second, it would yoke national service firmly to homeland defense, requiring that half the new funding be dedicated to domestic security or public safety. In addition to the vital

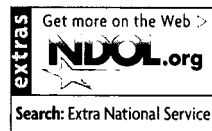
tasks already performed by AmeriCorps members — tutoring children, helping the frail elderly, building homes, conserving natural resources and responding to emergencies of all kinds — national servers could also help police our borders, guard nuclear power plants, water supplies and other key facilities, inoculate people against anthrax or related threats, and generally beef up our public health services.

Third, the bill weaves military and civilian service into a seamless fabric, by creating a new “citizen soldier” option for college students who want to serve their country without necessarily choosing a military career. This short-term enlistment, known as the 18-18-18 plan, would entail 18 months on active duty and 18 months in the reserves in return for an \$18,000 scholarship or bonus. According to Northwestern University sociologist Charles Moskos, an explicitly non-career track would attract students from the nation’s best colleges, helping the military to meet its recruiting goals while also ensuring that more of America’s future leaders will have military experience.

Fourth, the Bayh-McCain bill marks a new stage in the politics of national service. Throughout the 1990s Congressional Republicans repeatedly tried to smother Bill Clinton’s fledgling AmeriCorps project in its crib. As national service has grown, however, it has won over many of its erstwhile detractors. Most GOP governors have embraced AmeriCorps, and President Bush recently proposed adding 20,000 volunteers to assist in homeland security. And as leading conservatives like McCain champion national service, they also bring new ideas and emphases to this evolving and quintessentially American civic enterprise.

At a time when many Americans are asking what they can do to help make our nation safer and stronger, the Bayh-McCain plan offers an answer — and points us toward a higher politics of national purpose. ♦

► Will Marshall is president of the Progressive Policy Institute.



GROUND ZERO: Images of Sept. 11 will be forever seared on our consciousness. To avoid such acts of evil in the future, we must promote an international politics that changes conditions in troubled regions where terrorism is born.



We Must Never Forget

We are fighting to rid the world of terrorists, but we must also seize the opportunity for historic international realignments. || by **Tony Blair**

As the war against terrorism continues, we need to remind ourselves why we are fighting. Thousands of people were killed in cold blood on Sept. 11 in the worst terrorist attacks the world has ever seen. We must never forget how we felt on that day as we watched the planes fly into the twin towers. We must never forget the messages left behind on answering machines by people waiting to die. We must never forget how we felt as we thought of mothers telling children on the planes that they were about to die.

These atrocities were the work of evil men who have distorted and dishonored the message of one of the world's great religions and civilizations. They are bent on stimulating militant fundamentalism, on separating the United States from its allies, and on bringing our way of life and our economies to their knees. In these aims, they have already failed.

But we all know that one major illusion was shattered on Sept. 11 — the belief that we can have the good life in the West without regard to the condition of the rest of the world. We've now learned that

once chaos and strife have a grip on a region, trouble will soon be exported. Such regions produce humanitarian tragedy, drug trafficking, weapons smuggling, and slavery networks. They become havens for criminal organizations and terrorists. It was, after all, a dismal camp in the foothills of Afghanistan that gave birth to the murderous assault on the sparkling heart of New York's financial center.

That's why the war against terrorism must be more than a police action to root out the networks and their protectors, though it certainly must be that. It also needs to be a series of political actions designed to remove the conditions under which such acts of evil can flourish and be tolerated. After all, the dragon's teeth are planted in the fertile soil of wrongs unrighted, of disputes left to fester for years or decades, of failed states, of poverty and deprivation.

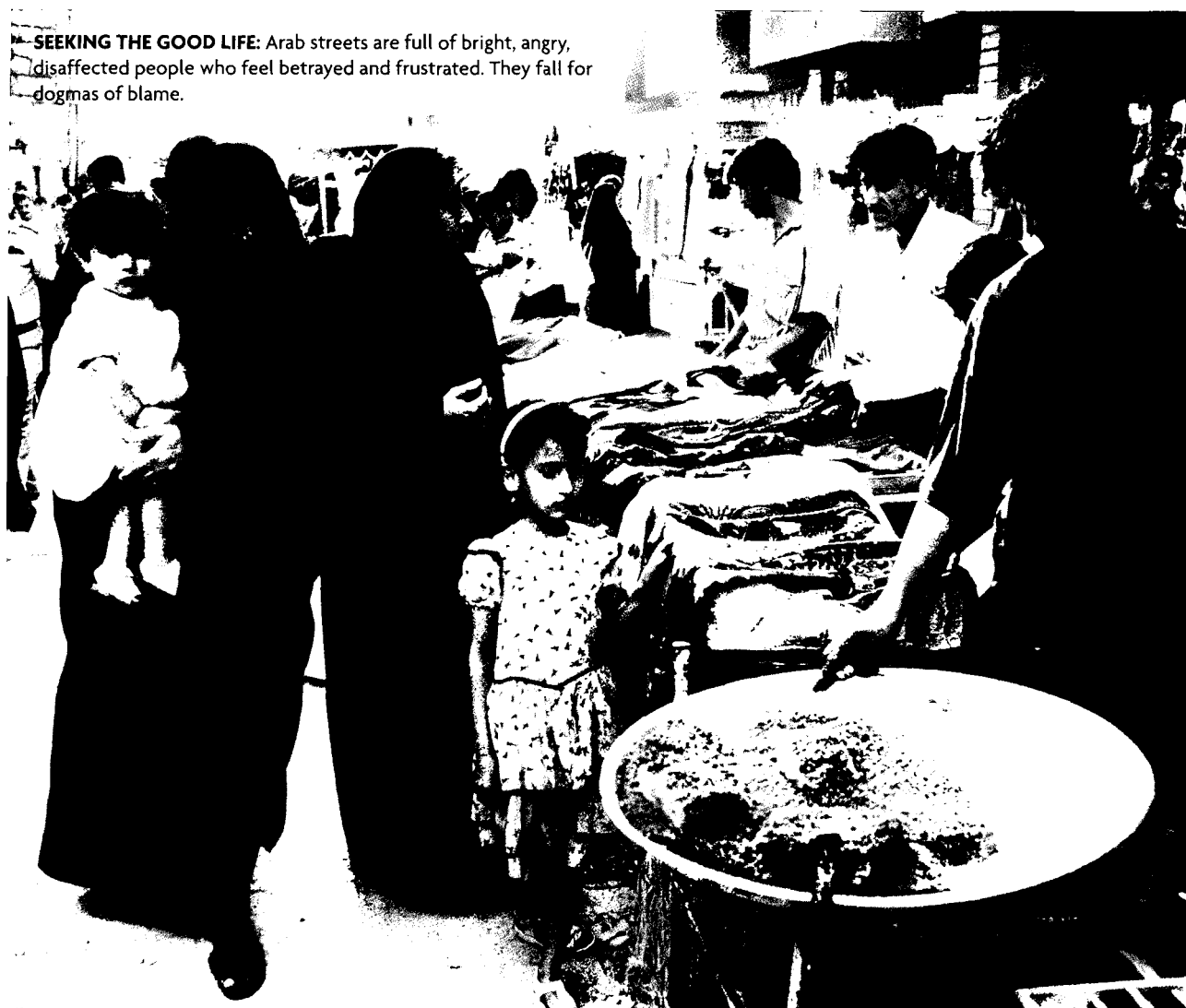
In 1999, I proposed in Chicago a doctrine of international community under which we would take a more active and interventionist role in solving

NEW WORLD, NEW WAR

continues BLUEPRINT'S examination of the war on terrorism, at home and abroad.

> **Tony Blair** is prime minister of Britain.

SEEKING THE GOOD LIFE: Arab streets are full of bright, angry, disaffected people who feel betrayed and frustrated. They fall for dogmas of blame.



the world's problems. I was accused of utopianism by some. Others said it was dangerous to think we could resolve all the world's problems by ourselves.

But my point is that a nation's self-interest is no longer in conflict with the interests of the broader international community. Now, more than ever, people recognize the link between what happens in the outside world and what happens in our own streets in Britain, the United States, or anywhere else.

In fact, since Sept. 11, relationships have begun to change. The war in Afghanistan, for instance, showed vividly how relationships reinforce one another and how much the United States and its European partners value our roles with each other. The urgency to find answers to the new threats opened the world up. Countries began revising their relations with each other and pondering opportunities for realignment. And it was happening fast, and is still continuing. Now is the time to form new and deeper

alliances. We should grasp this moment and not fall back into the rigidity of our previous alignments and confrontations. We need boldness and follow-through.

A starting point is to make a leap of imagination from the prosperous West to the streets of the Arab world where bright, angry, disaffected young men seek outlets for their feelings of betrayal and frustration. These people are not always from poor families, but they often have neither work nor prospects. They fall for dogmas that blame their troubles on a distant Satan and give their lives meaning by committing themselves to relentless struggle. This is an extreme and perverted vision of Islam that seeks to overthrow moderate counsels.

The time has come for the voices of mainstream Islam to take on the extremists. After all, this is, ultimately, not a battle the West can fight; we cannot impose our models on very different societies. It is rather for the forces of moderation in Islamic countries to seize the initiative and

denounce those who would sully their religion and way of life through crime and terror. Our role is to offer support for the vast majority of decent Muslims in that battle, and to remind the world that our quarrel is not with Islam but with extremism and fanaticism, whether it be Christian, Jewish, Hindu, or Islamic.

Closing down the terror network in Afghanistan will not be the end of terrorism. We need to find a way of dealing with weapons of mass destruction to prevent their proliferation to states and to terrorist organizations. We should offer advice, training and equipment to the countries of central Asia to help them introduce the strongest possible controls. We should also increase our support for safe storage and secure destruction of sensitive nuclear and chemical materials, especially in places like the former Soviet Union.

As the events of Sept. 11 have reopened the world and offered new opportunities for cooperation, there are other steps that must be taken. One of them is the reinvigoration of the Middle East peace process. It must be based on the principles of confidence and security on both sides, and on the existence of a viable Palestinian state and an Israel confident in its own security and fully accepted by its neighbors.

We must also look anew at Iraq. Iraq must meet its longstanding obligations to the UN to allow arms inspectors to return. In the meantime, we must focus sanctions on the things that really matter — military goods and Iraq's capability to produce weapons of mass destruction. We must end the Saddam-induced suffering of the Iraqi people.

Now is also the time to break out of other confrontational relationships. We should offer Syria, Iran, and other nations new relations with us if they will help end violence and promote a solution that is just for both Palestinians and Israelis — and if they join the international consensus on weapons of mass destruction. The opening is now; I hope they will take it.

After the Cold War there was much talk of a new world order. But we failed to renew institutions or create new ones for dealing with conflict. We must redress that. We should strengthen the United Nations and back the secretary general's reforms. That includes reforming the Security Council so that it becomes truly representative and truly effective.

The Sept. 11 attack was an attack on us all. Defeating those responsible is essential to our security, our economic confidence, our social stability, and the reduction of external threats. We've now learned how dramatically world events can raise or shatter our stability. What happens abroad directly affects us, for better or worse, at home. We must seize the chance to affect global politics and make a difference. Future generations will thank us if we do. But they will not forgive us if we fail. ♦

Time to Transform

Afghanistan showed us a revolution in military affairs. Now we must put it at the top of the agenda.

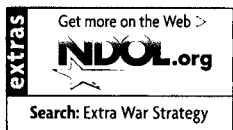
|| by **James R. Blaker** and **Steven J. Nider**

American military operations in Afghanistan highlighted what force-transformation advocates want: a faster transition to a U.S. force designed and organized to take full advantage of the American edge in information technology. The success of the Afghanistan campaign confirmed the potency of a military that operates with superior knowledge of the battlefield, with higher speed and precision, and with greater agility than ever before. It also bolsters the case for joint operations among the services. Clearly, when the United States integrates good intelligence, advanced communications, long-range air power, and highly mobile ground forces that carry enough firepower and electronic support systems to stay ahead of an opponent, we win — quickly, effectively, and completely. This is the core of force transformation.

Our efforts in Afghanistan picked up where the U.S. air war over Serbia ended two years ago. Our growing inventory of new precision-guided weapons let us destroy more targets with fewer aircraft sorties. Better communications let our air and ground forces work together more effectively. The growing integration of our space-based, aerial, and ground-based intelligence let our forces know where moving targets were. We were able to blend manned and unmanned aircraft into a new quality of robotic warfare.

But despite all this good news, there remains a central problem: rapid and continued force transformation is not the mainstream of Pentagon planning. While the U.S. forces in Afghanistan were a model of what a transformed U.S. military force should be, the Pentagon has placed highest priority on getting back to "business as usual" rather than building on the momentum of our current success. At this slow logistical and financial pace, the military vision, transformation, new organizations, and joint operational integration we need are at least three decades away.

That must change. We should compress the goal, cutting in half the 30 years the U.S. military says it needs for transformation. That would force decisions to be made earlier than called for in the Bush administration's Quadrennial Defense Review of 2001. And it would demand assessment



and debate in both the executive branch and Congress, since significantly changing the American military in 15 years rather than three decades is serious, complicated business. But the demand is already clear.

Each of the military services states its intention to make agility, flexibility, and knowledge-based precision the core of its future. The Army describes “an objective force,” a powerful new Army built around smaller, lighter, faster, highly networked units that will be quicker to get to a fight; work closely with the components of other forces; and rely on speed, knowledge, and precision to defeat any opponent. The Navy talks about “network-centric warfare,” waged by fast-moving, agile ships and aircraft that draw their combat power from a shared understanding of the battlespace and are able, in close conjunction with other force components,

massive, slow-moving institution designed for attrition warfare into a smaller, faster, more agile force designed for quicker, decisive warfare.

Accelerated **transformation** need not **cost** more than going down the slower, **meandering path** the administration has planned.

to penetrate deeply into hostile territory with precise, decisive force. The Air Force sees its future as an “aerospace force” that integrates space-, air-, ground-, and sea-based observation and that provides decisive, precise, and instantly effective power, anywhere, with manned and unmanned craft.

Clearly, there is no deficit of vision, imagination, or awareness of the power inherent in information technology and force transformation. But that stands in stark contrast to the administration’s deeply ingrained Cold War planning style, which overemphasizes “on-the-mark” readiness (i.e., if you want to be ready to go to World War III on a moment’s notice, you avoid big changes in the way you design, run, train, and equip the force). It attests to the dominance of the cautious military perspective in national security planning (let’s stick to what we have until it’s proven to fail). And it may point to a smug, mistaken belief that other nations will not speed their own military transformations when they see that the United States is edging forward slowly.

It does not have to be this way. The United States could, and should, accelerate the transformation it has pioneered. With the world’s most powerful industrial-age military, we have a buffer of capability that allows us the freedom to change. Even with an accelerated transformation, we could easily sustain and support enough old-era tactics to deal with any conceivable military challenge that might emerge during the transition. And, as the war on terrorism shows, transformation brings more capability, not less. Accelerated transformation need not cost more than going down the slower, meandering path the administration has planned. It might mean somewhat higher defense budgets over the next three years to kick the defense establishment to a higher transformational effort. But once acceleration began, savings would emerge that are inherent in transforming a

Shifting priorities. Some of the steps toward accelerated transformation are already clear. The Army should shift the bulk of its heavy armor to reserve components, double the rate at which it is introducing new maneuver units, expand joint experimentation dramatically, and reduce the high-readiness requirements for some brigades to allow them to transform.

Also, we must reduce the number of active Navy aircraft carriers from 12 to eight over the next 15 years and introduce new, smaller surface combatants, arsenal ships, and Mobile Offshore Bases. We should integrate unmanned combat air vehicles to Navy and Marine Corps operations; expand joint experimentation; and move away from a constant naval presence in the

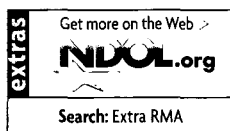
Mediterranean and Atlantic to allow accelerated change.

And further, the Air Force should shift toward combined manned and unmanned units (reducing the buy of F-22 and Joint Strike Fighters); expand to a force of 150 long-range bombers from today’s level of 125; and increase dramatically the number of reconnaissance unmanned air vehicles. This would accelerate the shift to air expeditionary forces and greatly expand joint experimentation.

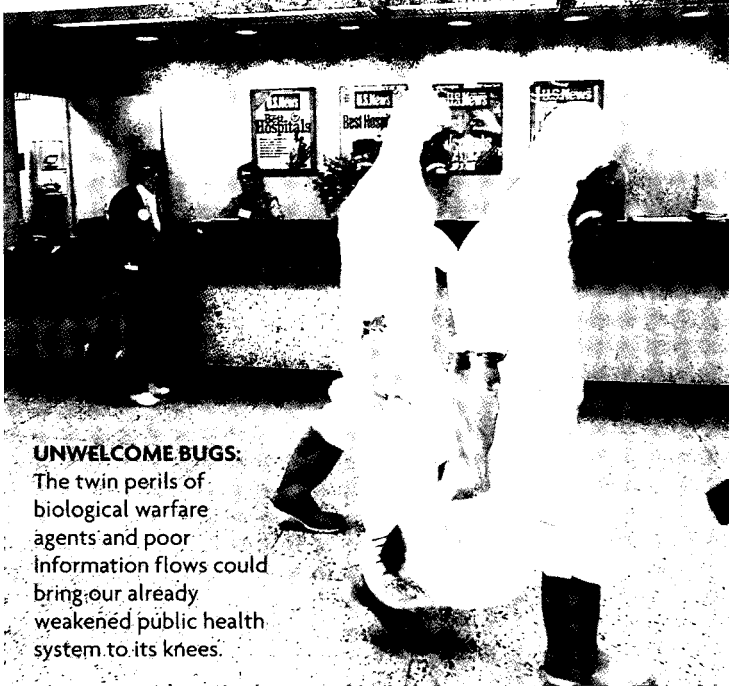
The United States will spend \$343 billion this year to maintain the world’s most powerful military force — more than all the other nations in NATO, Russia, China, Japan, Korea (North and South), India, Pakistan, Iraq, and Iran combined. Nevertheless, we may end up with a military still rooted in the past and perhaps with one that is less effective than its current counterpart.

Despite what the military itself says about the kind of forces it needs for the future — quicker, more mobile units — and in the face of the lessons emerging from the war on terrorism, the Bush administration plans to continue the gradual, incremental transformation it announced in its Quadrennial Defense Review last year. By 2015, its plan will produce a slightly larger version of today’s military — remarkably similar in structure, organization, doctrine, and weaponry to the military that fought in Desert Storm a decade ago. If it sticks to this path, the transformation to a more agile, flexible, and effective force will remain more rhetoric than real. ♦

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Information



UNWELCOME BUGS:
The twin perils of biological warfare agents and poor information flows could bring our already weakened public health system to its knees.

Reforming Public Health for Bioterrorism

We have no biodefense. Public health should become an integral part of our national security system.

those with malicious intent, whether homegrown terrorists or overseas ones, we have never made the commitment of funds, personnel, and energy necessary to bring our defenses up to the task. But with sufficient political will, we can eliminate the threat of biological attacks as weapons of mass destruction. We need to make public health an integral part of our national security system, make the necessary investment — about \$2 billion immediately and \$2 billion more in 12 to 18 months — and sustain it for the coming years. Even at \$4 billion, this represents only an initial down payment on basic safety for Americans over the long haul.

How bad is the problem? First, let's consider the magnitude of the challenge. Our initial response to the anthrax attacks was telling: misinformation, confusion, and widespread public alarm all flowed from the lack of a coherent response plan — and from the absence of a clear public communications strategy. One lesson was immediately clear: tell the people what you know and what you don't know. Make sure the tellers know their material.

Our inability to provide the public with a solid response to bioterrorism rests, in part, on the long-standing neglect of our public health system. As infectious diseases were conquered and private

medicine took over most treatment, our public health infrastructure became undervalued, underfunded, and decrepit. Public health departments are often staffed by people without professional training in public health. Tight state budgets have frozen hiring in many departments. Half of the 3,000 local public health departments in America are not even connected to the Internet. Most are not staffed at night or on weekends, when critical reports of epidemics might begin.

Our hospitals are not in much better shape. In the age of cost controls, with staff cuts and just-in-time purchases of medications, hospitals have lost their surge capacity. No city in America could handle, say, 1,000 new patients in an emergency, even with several major hospitals; they're already working at capacity. Even New York City on Sept. 11 did not

it comes to public health. We need more epidemiologists and, especially, more people with deep expertise in epidemic response and containment.

Most of all, we face a connectivity and communications crisis. During the first days of the anthrax letters, the Web site of the Centers for Disease Control and Prevention (CDC) was not working for hours on end, sometimes for a whole day; there was no backup system or redundancy to fill the communications gap. Even when all systems are up, the parts of our medical response system — CDC, state public health departments, local public health clinics, practicing physicians — communicate poorly with each other. They are not directly linked, and information often moves slowly among them.

Doctors, in particular, are left out of the information loop. This may have contributed to the failure to diagnose two postal workers when they initially showed the symptoms of anthrax in Washington, D.C., area. The CDC, which has been on the frontline in the new crisis, typically does not direct its bulletins to the practicing doctors, but to public health departments. With the exception of a state like New York, which did an excellent job of communicating with its professional medical societies, most state health departments are not structured to quickly notify a critical mass of physicians. Doctors, who often must see a new patient every 15 minutes, do not have time to browse the Internet for bulletins. They are frequently caught in a slow-motion information paradigm.

Serious threat? The threat of bioterrorism is real and serious. When a letter addressed to Sen. Patrick Leahy (D-Vt.) was found in November to contain anthrax, the senator announced that it was judged to be so powerful that it could

““ We also **need to build** a communications infrastructure. Every public health department should have **Internet access** and email. Cell phones, laptops, and wireless handheld devices should become **commonplace**.””

kill 200,000 people. “It’s so powerful they still haven’t figured out how to open it,” he added, more than a week after the letter’s discovery.

What do we need to do, and when do we need to do it? First, there are certain things that can be done fast; they should have priority. Other things, like a high-tech surveillance system and increased laboratory capacity, will take time.

Our highest priority should be connectivity and communications. Communication in the midst of public health crises must become a strategic priority, just as it is in the military. The ability to link local, state, and federal health officials, along with practicing physicians, in a robust, real-time communications network is critical to bioterrorism

Initial costs of reform

PRESENT NEEDS:

Build hospital surge capacity	500m
Epidemic response training	390m
Train medical professionals	400m
Public health connectivity	150m
Alerts and risks network	154m
Laboratory capacity	300m
Doctors’ bio-network	400,000

Subtotal: **\$1.894 billion**

LONG-TERM NEEDS:

National drug stockpile	1 billion
Epidemiologic surveillance	1.3 billion

Total: **\$4.194 billion**

response. The U.S. Department of Health and Human Services should come up with a plan to ensure that federal, state, and local health agencies can meet the information needs of the public, the media, and professional communities. It should include a clear map of how information would flow during a crisis and the equipment necessary to rapidly move large amounts of data among many disparate communities. Once we develop a strategy for accomplishing this, we must realistically fund it.

The need for a new level of connectivity applies to communicating from the field — the physicians’ offices — to the central public health agencies, and vice versa — getting information back out to the doctors. It applies to exchanging

information among key medical players — CDC, local and state public health departments, and the appropriate professional societies, like the American College of Physicians, the

Infectious Disease Society of America, and the American College of Emergency Physicians. Finally, it applies to getting information and useful guidance to the public.

We need to establish the surge capacity of state and local health departments to rapidly investigate and track disease outbreaks and to contain the spread of contagious diseases. To get the experience of the practicing doctors into the system faster and more reliably, we need to create 24/7 reporting systems. Every state public health department should immediately hire 50 to 100 people. These should be well-trained professionals, including epidemiologists and health communicators who are experts in providing the public with information.

Each state health department should then set up a reporting hotline staffed by a medical professional every day, all day and night. Any physician who calls in should be able to get a human on the line and have a professional consultation, whether on a Sunday afternoon or in the middle of the night. He shouldn't be told, as one was last fall in California, that he was 450th in line to speak to someone. She shouldn't get a voice mail answer, and she should never hear, "We are closed for the weekend; call back on Monday."

At the Johns Hopkins Center for Civilian Biodefense Studies, we have generated rough estimates for the immediate cost of starting to build our bioterrorism defense system — about \$1.9 billion, plus another \$2 billion for pharmaceutical stockpiles and a real-time electronic surveillance infrastructure. These are initial costs that need to be added to the budget right now to begin putting the system in place. Our estimate for the start-up cost of building public health surge capacity, for instance, is \$500 million.

We also need to build a communications infrastructure. Every public health department should have Internet access and email. Cell phones, laptops, and wireless handheld devices should become commonplace. But because phone lines, cell phones, and cable systems are vulnerable to terrorism, we should have redundant connectivity that is satellite-dependent, rather than based on terrestrial support. We estimate the initial investment to build public health connectivity at \$150 million.

We also propose the creation of a Physicians' Biodefense Network based on Internet Web sites and satellite-connected handheld devices. The network would assemble lists, hold appropriate teleconferences, and set up real-time interactions among clinicians. It would cost \$400,000.

Additionally, we recommend the creation of a Community Alerts and Risk Communication network for delivering timely, accurate, and credible health information, both within the medical communities and to the public. We estimate its cost at \$154 million.

The first weeks of the anthrax outbreak were a textbook model of what *not* to do. Because the public communications portfolio was passed around among various politicians and professionals, the message differed from day to day, sowing confusion and fear. We've learned from the events on and after Sept. 11 that people don't panic in a crisis; they tend toward panic in the face of uncertainty. When the terrorists attacked New York and the Pentagon, people stayed cool and responded rationally. Even the general populace, which could see everything on television, showed no signs of panic. Transparency creates calm. But when the anthrax scare came along with all the miscommunication, contradictions, and uncertainty, public fear rose sharply. That's why efforts to "spin" information and shield the public from disturbing information should be avoided.

We should also provide rigorous and rapid training in epidemic response and containment to the existing public health community. This will initially cost about \$390 million. Finally, we need to develop curricula to train physicians, nurses, mental health, and other professionals to diagnose and treat disease caused by the most likely bioweapons agents of the future. Such a program would cost roughly \$400 million at the outset.

For this initial downpayment to work, and to get the political support it deserves, we need to understand that public health is now an essential aspect of national security. Public health officials should be integrated into the highest decision-making bodies on homeland defense and national health policy. A public health specialist should be part of the National Security Council. Public health officials should be in the Office of Homeland Defense. By raising public health's importance and status in our national life, we will also be able to attract more specialists in epidemiology and bioterrorism to government service, and we will attract more of our medical school graduates into this demanding and understaffed field.

By once again making our public health system one of the best in the world, we will also reap all sorts of tangential benefits in terms of better public health, better prevention of natural diseases, and a more capable medical care system. But we have to make the investment. ♦

➤ **Tara O'Toole, M.D.** is director of the Center for Biodefense Studies at Johns Hopkins University.

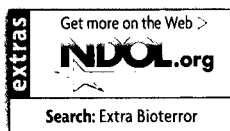
Fighting the Image War

So far, we're losing.

|| by **Steven J. Nider**

Beyond the battlefields of Afghanistan, America is losing a different kind of war: the fight to gain and maintain a positive image in the Muslim world. America's image is so badly distorted in many Muslim countries especially in the Middle East that a comprehensive new information offensive is essential for any permanent victories in the effort to uproot terrorism.

The United States begins this critical campaign at a daunting disadvantage. In Arab countries, for instance, the governments often allow their citizens little access to news



and information from America or any other democracy — or they put the news through a dense filter of government censorship. And among the region's few talk shows, blatantly anti-American broadcasts are the norm, especially on al-Jazeera, the Qatar-based satellite network which aired Osama bin Laden's rants against the United States.

Consequently, the hatred that a news-deprived population harbors against America stems mainly from ignorance. Many in the Middle East have no idea, for example, that the U.S. government is sending food to Muslims around the world while Saddam Hussein spends his nation's wealth on himself, abandoning his people to hunger. Nor are most Middle Easterners aware that the United States, already the world's largest supplier of food aid to Afghanistan before Sept. 11, is sending an additional \$320 million in humanitarian assistance this winter. Or that the United States has taken action on behalf of Muslim populations against outside invaders and oppressive regimes in Kuwait, Northern Iraq, Somalia, Bosnia, and Kosovo.

After two decades of neglecting our international image by cutting information budgets and personnel — and by closing overseas U.S. cultural centers and libraries — the time has come for an all-out assault on the negative perceptions fostered by terrorist groups and nations that stifle the free flow of information. To reverse this public diplomacy nightmare, the United States and Britain have launched a public relations effort to counter misinformation about the war in Afghanistan. Senior Bush administration officials have been interviewed on al-Jazeera, which has an estimated 35 million viewers in the Middle East and Central Asia. The two governments have established round-the-clock information centers in Washington, London, and Islamabad. They are jointly staffed by U.S. and British officials and are modeled on the election campaign "war rooms" that provide rapid response to breaking allegations and news.

At the same time, Washington and London hope to better coordinate and disseminate what they see as their positive messages on humanitarian aid and on efforts to establish a representative government in Afghanistan. They also want to repeat assurances that the anti-terrorism war is not being waged against Islam or the Afghan people. The new operations will also try to stagger speeches, news conferences, and other public remarks on the war so they can dominate television coverage around the world and around the clock. Building momentum in the image war, U.S. officials have meanwhile put diplomatic pressure on Qatar — home to al-Jazeera — to level the playing field by curbing anti-American rhetoric on the airwaves.

These efforts must be just the beginning of a sustained campaign to create a balanced flow of information to those who do not know us. There are other simple steps: bolstering the content on *Voice of America* and other interna-



DISTORTING THE MESSAGE: A boy identified as Osama bin Laden's son, above, reads a poem about Taliban leader Mullah Omar on Al-Jazeera, the satellite TV news service based in Qatar, right. On Al-Jazeera and other Middle Eastern TV outlets, anti-Americanism is the norm.

tional broadcasts with lively dialogue targeted to younger audiences; appealing to moderate Arab leaders to make public statements on our behalf and to condemn terrorism; and pushing for more balance on al-Jazeera and other outlets in Muslim countries. These tactics are vital to help the Middle East move away from overwhelming government-sponsored censorship toward more independent media in which all political views can compete, including those that oppose Islamic extremism and support the U.S. campaign against terrorism.

The Bush administration included in its 2002 budget proposal a \$30 million pop culture, music, and news radio service aimed at under-30 listeners in the Middle East. The proposal is the brainchild of Norman Pattiz, a member of Voice of America's governing board and the owner of America's largest chain of radio stations, Westwood One. The new radio service, if funded, would include five programming streams targeted at different groups of countries, delivered in local Arabic dialects.

The U.S. government also needs to court bilingual Arab elites — many of whom have studied in the West — and reach out to the monolingual middle classes. Similarly, Washington needs to recognize the changing role of public opinion in the Arab world. A wide array of Arab satellite television stations have erupted onto the regional media stage, competing with state-sponsored media and undermining censorship. Western diplomats and information specialists should target outlets such as the London-based Middle East Broadcasting Corp. (MBC), Abu Dhabi TV, and Orbit TV. As the popularity of satellite TV rises in the Arab world, the United States needs a public diplomacy strategy that takes advantage of superior American capabilities in



using images to get the American message out to Arab publics.

The deterioration of America's image among foreign nations did not happen overnight; extensive financial, programming, and personnel cuts in the Foreign Service in the 1980s and 1990s contributed to a collective apathy toward our perceived reputation abroad. Under relentless pressure from Sen. Jesse Helms (R-N.C.), then Foreign Relations Committee chairman, the United States Information Agency (USIA) was abolished. Though it served the nation well during the Cold War, USIA was replaced only by an undersecretary for public diplomacy and public affairs at the State Department. The undersecretary's limited powers and resources are no match for our former ability to effectively conduct public diplomacy.

Similarly, positions for public affairs officers in our embassies have been cut, consulates closed, and our overseas cultural resources gutted. Congress should seriously consider reversing this wrong-headed policy. At the same time, it should halt the decimation of the U.S. Foreign Service — the most significant official American presence overseas — through lack of funding. We should also stop the shrinkage

of exchange programs that bring promising young people — prospective future leaders — to the United States as students or visitors. Currently, only 5 percent of these students come from Arab countries, and the number of Americans studying in Arab nations is miniscule. Ironically, reversing this pattern will be difficult at a time when security concerns force us to screen Middle Eastern visitors especially strictly — and keep many of them out.

Clearly, the United States must make the image war a priority in the months and years ahead; a committed effort to learn about other cultures and aggressively promote our own is the only way to effect this crucial change in our public diplomacy. Progress doubtless will be slow, since information sources on the other side of this conflict will work relentlessly to undermine the U.S. messages. But every small success the United States has in promoting the merits of pluralism and individual freedoms will contribute to the difficult task of improving our image among the 1.2 billion Muslims around the world. ●

➤ **Steven J. Nider** is director of foreign and security studies at the Progressive Policy Institute.

Winning with Technology

The information revolution can help us track and stop terrorists — if we act boldly.

|| by **Shane Ham**

Americans have long realized that the price of an open society is the risk that terrorists can move freely among us. But the technology revolution of the last decade has given us powerful new tools that we could deploy to fight terrorists more effectively without turning the United States into a police state — if only we find the political will to do so.

A review of missed opportunities to disrupt the Sept. 11 terrorist plot brings home the point. Nine months before the attacks, terrorist ringleader Mohammed Atta stalled a small plane on a busy runway at Miami International Airport — and simply walked away. Five months later, a criminal warrant was issued for Atta's arrest for failing to appear in court for a traffic violation in Broward County, Fla., but he was never picked up. A month after that, Atta was pulled over for speeding in a neighboring county, but the police computer search found no outstanding warrants. Two weeks later, on July 19, 2001, after a short trip to Spain where he allegedly met with accomplices, Atta re-entered the United States unimpeded, despite the fact that he was on a terrorist watch list.

Atta also received \$100,000 in suspicious wire transfers from overseas, but a report was never filed with the government.

Just as chilling is the story of Ramsi Binalshibh, the alleged "20th hijacker." Binalshibh tried three times to get a visa to enter the United States to attend a Florida flight school, but was denied because he was suspected of involvement with the bombing of the *USS Cole*. But the government never investigated the flight school where Binalshibh had made a down payment for lessons or the student who was trying to bring him into the country: Ziad Jarrahi. Jarrahi was subsequently the pilot of the plane that crashed in Pennsylvania with only four hijackers aboard.

This series of events represents a failure of intelligence, law enforcement, information management — and technology. In Atta's case, rudimentary technology was in place — he had an arrest warrant, he was on a watch list, his bank transactions were recorded — but no single computer and no single software program connected the dots among these facts. In a country as large and disparate as ours, with a giant economy, integrating information is a huge challenge.

Fortunately, we already have the technology to do it, if we can overcome wrong-headed political resistance and bureaucratic inertia. Now is the time to make a quantum leap forward in our systems of information management and identity controls.

First, we need to do a far better job of investigating foreign nationals before they enter the United States. And we need better systems to detect patterns of suspicious activity by potential terrorists once they are within our borders.

One of the first steps should be the creation of a much better nationwide database that allows state and local law enforcement officials, border control agents, and intelligence agents to share information with each other more effectively. The FBI already has a start on such a database with the National Crime Information Center (NCIC). But it needs to be expanded into something much larger. It should combine criminal and other appropriate records from state and local agencies with more robust information from relevant federal agencies like the Immigration and Naturalization Service, the Department of Transportation, and the CIA.

Such a database, however, is only as effective as the identification system on which it is based. One obvious solution is to move to a system of digitized smart cards, both for domestic identification purposes as well as for issuing visas for visiting foreign nationals. Sen. Dianne Feinstein (D-Calif.) has already proposed legislation creating so-called SmartVisas that contain thumbprints or other encrypted biometric data to verify the identity of visa holders at points of entry and exit. Such visas would not only greatly aid the war on terror but also help catch foreigners who commit common crimes or overstay their visas.

We need to do the same thing at home. We should face the fact that in the digital age, with all its benefits and perils, we need a national identity card — but with a technology twist. Privacy advocates and civil libertarians claim that a national identity card would be an ipso facto intrusion on our rights. But they overlook the fact that a high-tech ID card — with digitized fingerprints and other biometric data — would only represent a technological improvement on what we already have: driver's licenses with biometric data in the form of photographs. We need a card with identity verification based on a foolproof identifier that is unique to each person.

If everyone had a foolproof ID card, the privacy of law-abiding citizens would be increased because the cards would make it easier for police and homeland defense agencies to pursue the right targets rather than hunch targets. Far from creating a sinister Big Brother, technology can heighten efficiency, promote freedom, and increase prosperity — not the opposite. Putting a smart card into the pocket of every adult American would both boost e-commerce and help reduce credit card fraud. It would also

DIGITAL IDENTITY: Biometric technology, such as digitized smart cards and fingerprint identification devices, pictured, can help us track terrorists, match airplane tickets to passengers, and halt criminal identity theft.



make it exceedingly difficult for both common criminals and determined terrorists to switch or steal identities — especially at security-critical facilities like airports. Moreover, if the investments in homeland defense technology are done on an urgent basis, as they should be, they could also provide an important stimulus to the economy and the hard-hit technology sector.

The new smart ID should be nationally uniform and tied to a national database. But, to take advantage of existing infrastructure (and save money), the cards should continue to be issued by the states, using their driver's license and ID card agencies. They should also continue to include photographs so they could be used for identity checks in the old-fashioned way, such as verifying age for buying alcohol. This would relieve every mom-and-pop store from the burden of buying new thumbprint scanners.

Besides creating high-tech identity checks, we should move quickly to introduce our best technology in other aspects of homeland defense. At airports, improved scanners can detect bombs and hidden non-metallic weapons, such

as plastic knives. Detectors can now identify the release of harmful chemical, biological, or nuclear materials before people get sick. Though they've met with controversy in some locations, facial recognition systems have proved their value in criminal work by instantly identifying people in a crowd. Such equipment should be installed at vulnerable public venues, such as the Winter Olympics in Salt Lake City.

An obvious — but still not fully realized — area that can be improved by new technology is communications. Wireless text pagers with global positioning systems can act as bulletin boards in crisis situations, getting messages to the cops and firefighters in the best position to respond and moving doctors and supplies to the places where they are needed most. Networked, real-time public health databases can help alert officials to the possibility of a bioterrorist attack by tracking clusters of suspicious symptoms or clusters of medication purchases at pharmacies. Web cameras with heat sensors can help close the holes in the unpatrolled sectors of our borders or monitor vulnerable infrastructure like pipelines.

These are not James Bond gadgets; all of this technology exists today. Our decision to employ these tools should come soon; we are at war against a global

terrorist network. Just as we have employed high-tech weapons overseas (in Afghanistan), we need to use the most effective tools of the 21st century to win the war at home. Congress should appropriate the funds to deploy these tools, and the Office of Homeland Security should appoint a Chief Information Officer to oversee the funds. A Homeland Security CIO with a budget would have both the authority and the power to focus the fractured and "stovepiped" bureaucracy on the task at hand.

Though the benefits to our security and our prosperity will be great, revamping our nation's intelligence and communications systems will not be easy, and it will not be inexpensive. But it is time for us to stand up to the challenge to protect our lives, our health, and our free society. Incorporating technology into homeland defense will be a vital part in our effort to make sure that the horror of Sept. 11 does not happen again. ♦

➤ **Shane Ham** is senior policy analyst on the Technology and New Economy Project at the Progressive Policy Institute.

Mexican-American moderation

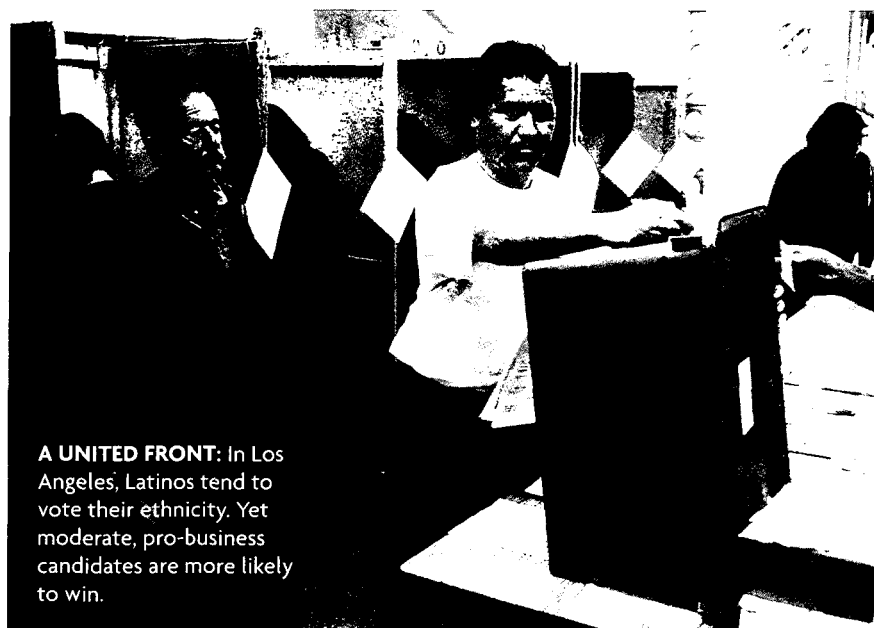
For many Latinos, moving up in politics means moving to the center.

by **Gregory Rodriguez**

Had former Assembly Speaker Antonio Villaraigosa won his bid for mayor of Los Angeles last June, he would have become the highest profile Mexican-American politician in the country. He would have also become a symbol of the emergent left-labor-Latino alliance that some argue represents the future of politics in heavily Mexican-American regions of the country. "Villaraigosa's campaign embodies not just the hopes for a rising Los Angeles progressive politics," wrote Marc Cooper in *The Nation*. "It has taken on national significance as well." Harold Meyerson echoed these sentiments in *The American Prospect*. Yet as close as Villaraigosa came to capturing City Hall — he placed first in April's primary election — the notion that Mexican-Americans would lead a liberal revolution in West Coast politics was never more than wishful thinking.

While no ethnic or ideological movement swept the city last July, Los Angeles did move quietly — and quite naturally — into a new political era as City Attorney Rocky Delgadillo became the first Latino to assume citywide office in more than a century, Alex Padilla was elected city council president, and Councilman Nick Pacheco was selected to chair the city's powerful Budget and Finance Committee. Contrary to breathless news analyses of the election, it is really these New Democrats who represent the future of Latino politics in the West.

In June, *Newsweek* glibly called James K. Hahn's June victory over former Speaker of the California Assembly Antonio Villaraigosa in the mayoral race a "brownout." Disappointed partisans implied that L.A.'s "Latino future" had



A UNITED FRONT: In Los Angeles, Latinos tend to vote their ethnicity. Yet moderate, pro-business candidates are more likely to win.

somehow were dimmed.

Yet equating Villaraigosa's candidacy with the culmination of a massive demographic shift not only unduly burdened Villaraigosa's candidacy, it mistook the part for the whole. It also reduced the region's ongoing ethnic transition to a zero-sum game in which, presumably, there are winners and losers.

Leading the media drumbeat about the region's ethno-political metamorphosis, the *Los Angeles Times* fundamentally misunderstood the evolutionary nature of cultural and ethnic fusion. Perhaps in a search for drama, its reporters wrote of the city as if it were neatly divided between the old and new and on the verge of some cataclysmic break between the two.

While Villaraigosa himself sought to position himself as a post- or pan-ethnic candidate, the media rarely mentioned his name without placing the adjective "Latino" before it. Thus, in the public imagination, the former union activist and local ACLU chapter president who

received the backing of groups like the National Organization of Women and the Sierra Club became an all-encompassing symbol for Mexican-American political aspirations.

And, indeed, the possibility of electing the first Mexican-American mayor since 1872 excited Latino voters throughout the city. While Villaraigosa forged an impressively diverse list of endorsements, which included billionaires Eli Broad and Ron Burkle, as well as outgoing Republican Mayor Richard Riordan, the core of his support came from the city's left-labor-Latino alliance.

Over the last decade, labor unions have been instrumental in the political emergence of Latino Los Angeles. The Los Angeles County Federation of Labor, an umbrella organization representing some 800,000 workers, emerged as perhaps the most powerful force in Southern California politics. Putting an army of committed volunteers to work in campaigns for Congress, the state legislature, and the city council helped

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garner an impressive string of victories for both Latino and non-Latino pro-labor candidates.

But the growing share of Latinos in the union ranks as well as the emergence of high-profile Mexican-American labor officials has created the misleading impression that Mexican immigrants have high rates of unionization. In fact, foreign-born Latino males are the least likely to be organized of any group of men in Los Angeles County, while Anglo males are the most likely. Still, in many immigrant communities, where residents are highly transient and civic associations — like homeowners groups or chambers of commerce — are relatively weak, unions can wield disproportionate influence in getting out the vote.

So, while Villaraigosa's most enthusiastic constituency was made up of Latino labor activists who helped prod voters to the polls, most of Villaraigosa's Latino support was based on ethnic and not ideological loyalty.

A week before the June run-off election, a *Los Angeles Times* poll indicated that 50 percent of Latino voters considered Villaraigosa more liberal than they were. Still, he received 82 percent of votes cast by Latinos. But Rocky Delgadillo, the pro-business, moderate Democrat running for city attorney (the city's second highest elected post), pulled in nearly as many, winning 79 percent of Latinos and showing that Latino voters were more interested in asserting their ethnicity than a single ideological bent.

But even if Los Angeles' labor-left-Latino alliance had catapulted Villaraigosa into City Hall, it still would have represented the last hurrah of a generation-old activist dream rather than the future for Latinos in American politics. While the former Assembly speaker's ecumenical style did represent a breakthrough in Latino politics, his campaign's strategy has never proven successful for Mexican-American candidates.

A generation ago, Chicano activists imagined coming to political power by way of a populist, left-wing agenda. They hoped that a shared ideology could build an inclusive multiethnic political

movement. By the mid-1970s, however, their hopes had dissipated. Mistrust and the divisiveness of identity politics posed serious obstacles to effective coalitions. Subsequently, a new model for political empowerment emerged.

In the 1980s politically moderate Mexican-Americans began to achieve municipal electoral success throughout the Southwest by forging an alignment between the Anglo business elite and a fledgling Latino middle class. The mayoral tenure of Henry G. Cisneros, the first Latino mayor of San Antonio since Juan Seguin in the 1840s, exemplified this new coalition. In addition to energizing Mexican-Americans, Cisneros promised Anglo business interests a "new attitude" toward economic development and expansion.

Nationally, Mexican-American politics continue to build on the Cisneros example. This is evident in several cities along the U.S.-Mexico border and in New Mexico, where, according to University of Texas historian David Montejano, "an accommodation between Anglo and Hispano elites has historically made for a more relaxed ethnic/race situation." In San Antonio, the newly-elected mayor, Ed Garza, shares the moderate post-baby boomer outlook of L.A.'s Padilla and Pacheco.

Today's generation of Mexican-American officials resemble technocrats more than ideologues. Padilla is a MIT-trained engineer and member of the Democratic Leadership Council. Nick Pacheco is a lawyer and an ideological moderate. Garza is an urban planner.

However historic a Villaraigosa victory would have been, it would not have signaled a paradigm shift in Latino politics. Even — or perhaps especially — if Villaraigosa had won, there is no reason to believe that Latino voters would have continued to put aside their growing divisions of class, culture and ideology to support left-labor-Latino candidates in citywide races in the future. "The maturation of Latino politics also means that, over time, Latinos vote issues rather than surname," says historian David Montejano. That, com-

bined with a younger generation whose consciousness was not forged in the liberal activism of the 1960s, suggests that Villaraigosa would have represented the last triumph of the Chicano movement of the late 1960s and early 1970s rather than the first chapter of a new Latino political order.

Over the past decade, the rise in the number of Latino political figures has had the natural — and beneficial — effect of multiplying Latino voices, ideological outlooks and styles. Expanding numbers, growing ethnic confidence and a concomitant generational shift have all converged to move Latino politics farther away from the activism of the 1960s and 1970s. Calls for ideological discipline and ethnic solidarity will become increasingly difficult to sustain.

In electing an activist candidate, Los Angeles would have gone against a broader tide toward choosing more professional, business-oriented Mexican-American politicians. Unlike Villaraigosa, who has spent most of his working life as a union organizer and liberal activist, four of five Mexican-American mayors of large U.S. cities come from either a business or a professional background. San Jose Mayor Ron Gonzales, who was a manager at Hewlett Packard, calls himself a "high-tech Mex."

So, for all the talk of an emerging Latino-left politics in Los Angeles, the city's three highest-ranking Latino officials are avowed moderates and the next major Latino mayoral candidate is likely to be a moderate with a centrist coalition. Nor will he or she be a harbinger of a radically new era. Mexicanization — be it political or cultural — will continue quietly and without the overburdened ethnic iconography of last year's mayoral campaign. The political agents of this change may surprise those who have romanticized or feared the region's ethnic metamorphosis. Like Los Angeles's new city council president and city attorney, who, respectively, played baseball at MIT and football at Harvard, they are likely to be All-American public figures with pragmatic centrist portfolios. ♦

Cap 'n' trade

Now's the time to use market mechanisms to boost the battle for cleaner air.

> by **Jan Mazurek** and
Byron Swift

During the toxic "green wars" of the 1990s, national progress on both energy and environment was caught in the crossfire between those opposing any changes in the environmental policies of the 1970s and those seeking to relax standards altogether. Today, during a national emergency that is producing bipartisanship and unity across political battle lines, there's an opportunity for a breakthrough. It's time to form a new consensus in energy and environmental policy that joins higher standards and market forces in the battle for cleaner air. A comprehensive, four-

Despite his campaign pledge to use market mechanisms to cap carbon dioxide (CO₂) emissions, President Bush abandoned that pledge and also unilaterally withdrew the United States from efforts to reduce greenhouse gases internationally. In both cases, the White House trotted out the acid rain argument: Controlling emissions costs too much. Yet 180 countries have stuck to the Kyoto Protocol; this clearly indicates that carbon will be capped and traded worldwide. President Bush's pullout only means that U.S. companies will be left in the cold as a global market develops to control greenhouse gas emissions.

In addition, many electricity-generating companies and members of

The cap-and-trade system addresses a controversy that promises to be far bigger than the debate around acid rain: climate change.

emission trading system is the right place to start.

The momentum for such a system has grown out of recent history. Called "cap-and-trade," emissions trading was first introduced in 1989 to break the deadlock over reducing acid rain caused by sulfur dioxide (SO₂) emissions. Emissions trading showed that creating a cleaner environment did not need to create inordinate costs. The model is simple: It sets tough environmental standards — an emissions "cap" — then lets companies that exceed the standards "trade" some of their emissions allowances to companies that don't. The cap-and-trade system holds the potential to address a controversy that promises to be far bigger than the debate around acid rain: climate change.

Congress now view the price of *not* developing a strategy to reduce power plant emissions as too high. After all, electricity generators produce about one-third of the total U.S. emissions of nitrogen oxide (NO_x) and mercury and an even higher share of its SO₂ and CO₂.

All this has generated momentum in Congress to create comprehensive cap-and-trade schemes for the four "emissions": SO₂, NO_x, mercury, and CO₂. Along with acid rain and global warming, emissions of these four substances are linked to various health and environmental concerns, including fine-particulate exposure, smog, and regional haze. Legislators have introduced at least four comprehensive emissions bills, and power utilities have proposed two others.

In addition, Sens. Joe Lieberman (D-Conn.) and John McCain (R-Ariz.) plan to introduce legislation to reduce CO₂ emissions from the whole economy, not just those produced by utilities.

In developing the legislation, Congress should be guided by two key principles.

The first is the need to include carbon dioxide in any comprehensive effort to cap and trade emissions from electricity generators. Current legislative proposals as well as those proposed by industry include a cap-and-trade system for three emissions: sulfur dioxide, nitrogen oxide, and mercury. But a big fight continues about including the fourth of the Big Four produced by electricity generators: carbon dioxide. Recent signals that the Bush Administration would opt to drop carbon dioxide from new anti-pollution standards have been, in fact, one of the big sources of disagreement, both here at home as well as between the United States and its European allies with respect to implementation of the Kyoto Protocol on global climate change.

The second principle is that a comprehensive emissions reduction package must integrate existing provisions for new sources under the Clean Air Act's New Source Review (NSR) with a cap-and-trade program. Congress created those provisions to ensure that air quality would not deteriorate when industry built new facilities or "sources." The NSR provisions require new plants to secure approval for major modifications that can affect air quality.

NSR's provisions require sources to install the "best available" and, in some instances, state-of-the-art technologies to reduce emissions. Such requirements can reduce incentives to bring new power online and to upgrade older generating facilities. To correct these deficiencies, Congress should integrate the two standards by eliminating NSR standards for those sources that are covered

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under the emissions cap. Once Congress imposes stringent emissions trading caps, NSR becomes redundant — it no longer provides any significant emissions reductions. Eliminating NSR provisions for new sources has the potential to actually boost cleaner energy technologies by spreading the economic burden for pollution control more evenly among all electricity generators, rather than just place it on new sources.

In addition to including carbon and providing broad relief from NSR in a comprehensive emissions trading bill, decisionmakers should follow four key guidelines.

Make the strategy comprehensive. If the four emissions generated by electric utilities are not addressed in one strategy, the Environmental Protection Agency (EPA) must regulate the emissions individually, under different provisions of the Clean Air Act, with differing standards applied to different ages and classes of energy-producing technologies. Targeting these emissions one by one makes it harder for generators to develop a coherent investment strategy; moreover, the strategy does nothing to promote the development of clean, efficient technologies to reduce emissions.

Use emissions caps, not technology control standards. Effective market-based strategies such as emissions caps outperform “first-generation” approaches. First-generation approaches control emissions with prescriptive technologies only after emissions are created. In contrast, caps do not tell companies how to reduce emissions. Instead, companies are free to decide how to control emissions, provided that they meet stringent caps.

Establish phased reduction targets. We should adopt emissions caps with integrity, but give sources reasonable time to meet them. Doing so will help the United States to maintain a diverse fuel portfolio, including advanced coal technologies, yet spur development of alternative fuel sources and technologies.

Distribute trading allowances equitably. Select emissions trading allowance distribution methods that cover sources



equally — old and new, large and small — and use methods that promote efficient energy production.

More than a dozen power generators have signed on to proposals to replace individual new regulations promulgated by EPA with a comprehensive emissions cap and allowance trading system. A number of these companies, including Pacific Gas & Electric's National Energy Group, Exelon Corp., and Northeast Utilities, favor mandatory strategies that add carbon to the three-pollutant trading methods proposed by the White House. Others acknowledge the importance of

ON THE HORIZON: Changes in the nations' environmental policies must include carbon dioxide caps and higher air quality standards.

controlling carbon but favor voluntary approaches. Three-pollutant strategies will only perpetuate old, end-of-pipe controls and postpone inevitable retrofits to control carbon, ensuring that those retrofits will cost more money than they otherwise would have. That's why a comprehensive, four-emission trading system is the right choice in the changed climate of our national debate. ●

A MESSAGE FROM AMERICA'S FIRE FIGHTERS

Following the tragic events of September 11, America learned that fire fighters truly are the nation's domestic defenders. Whether it is a fire, hurricane, flood, biological or chemical warfare, or terrorist bombing, fire fighters respond.

Fire fighters need your help to do their job and protect the public. Two thirds of America's fire departments are understaffed, seriously undermining their ability to protect the public.

We need the support of our elected leaders to help us do our jobs in communities across this nation. We need Congress to pass the Staffing for Adequate Fire and Emergency Response (SAFER) Fire Fighters Act to provide federal funding for 75,000 new fire fighters nationwide.

Help us protect the public. Contact your members of Congress and the IAFF.



Harold A. Schaitberger
IAFF General President

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Tough love in tough times

Now that we've officially entered our first recession in 10 years, supporters and opponents of the 1996 welfare reform law are asking the same question: Will tough love still work in tough times?

Some aspects of the current downturn give cause for concern. Travel and tourism, the sector hit hardest by the Sept. 11 attacks, had led the way in hiring people leaving

welfare. New York, the city with the greatest suffering, also has the most new immigrants who no longer qualify for federal assistance.

The recession isn't likely to force millions of welfare families to start sleeping on grates. Most workers who have lost jobs since Sept. 11 haven't exhausted the five-year time limit, and thus still have welfare to fall back on. Contrary to popular belief, welfare rolls have never been highly cyclical. Until the reforms of the 1990s, welfare caseloads rose steadily for three decades, swelled by a wave of never-married mothers who didn't work in good times or bad.

Nonetheless, those of us who fought for welfare reform have a special responsibility to help it weather the recession. The 1990s were that rare instance of a rising tide really lifting all boats, as the poorest Americans made the sharpest gains in income. But the reverse is always true: an ebbing tide strands those with the least to hold onto.

The Bush administration and Congress should take four steps to make sure hard times don't undermine the steady march from welfare to independence:

First, we should restore benefits for recent immigrants. The group hurt most since Sept. 11 isn't people forced back on welfare; it's recent immigrants who no longer can get benefits because they came here after August 1996. The Justice Department recently announced a program to offer American citizenship or "snitch visas" to immigrant informers who help track down potential terrorists. Whatever its value against terrorism, the program is an awkward reminder of how little the U.S. government does to bring new immigrants into the mainstream of American life. A recent immigrant who just lost her job as a hotel maid in Manhattan shouldn't have to know a terrorist in order to get food stamps. Treating law-abiding immigrants like second-class non-citizens is bad for everybody: the less interaction they have with government, the more isolated immigrant communities become – and the easier it is for someone with no legal right to be here to get away with it.

Second, we should make new and part-time workers eli-

gible for unemployment. You won't hear most welfare recipients complain about lifetime limits: People who leave welfare never want to go back. But many could be forced to in this recession because they haven't been working long enough to qualify for unemployment. According to the Urban Institute, four out of five people who have moved from welfare to work wouldn't be eligible for

unemployment. As Robert D. Atkinson argues elsewhere in these pages, more than half a million Americans would benefit if the unemployment system were modernized to include new and part-time workers.

Third, we should reward states that do the right thing. In 1996, the major objection to turning welfare into a block grant was that states would be left holding the bag in a recession. Ironically, the block grant is now one of the few bright spots in most state budgets. With caseloads down 60 percent, the federal government is paying states more than twice what it would otherwise – and even a deep, prolonged downturn won't return caseloads to anywhere near their prior levels.

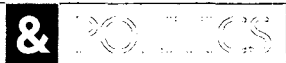
Under the welfare law, states can't use the recession as an excuse to cut welfare spending. But the sudden drop in tax revenues is squeezing other state initiatives to help the working poor. Congress should make states a one-time offer: a year of federal revenue sharing for any state that agrees not to cut its health care, child care, and job placement budgets in 2002.

Finally, we should promote more work, not less. As debate begins on the future of the welfare law, the current downturn shouldn't cause us to lose sight of why we reformed welfare in the first place. A relentless national effort to reward and require work in the 1990s brought record numbers of single mothers into the world of work, and helped reduce poverty in female-headed households to an all-time low.

The old adage that the best social program is a job becomes even more apparent in bad times. Instead of rolling back the high expectations that got so many recipients to work, states should spend their block grant surpluses on transitional public jobs for those who still need a foothold in the work force.

With care, we can help people get through the current slump. But only work, not welfare, can keep them out of a slump that lasts a lifetime. ♦

► **Bruce Reed** is president of the Democratic Leadership Council and was President Clinton's domestic policy adviser. A version of this article was originally published in *The New York Times*.



Allegiance to the pledge

>by **Kenneth S. Baer** || For many liberals, former President Bill Clinton's signing of welfare reform legislation during his 1996 reelection campaign will always be "the worst thing" he has ever done, a deal with the devil for personal political gain.

But as R. Kent Weaver shows in his new book, *Ending Welfare As We Know It*, Clinton was not merely putting his finger to the wind in 1996. Indeed, reform would not have occurred without his bold pledge four years earlier to "end welfare as we know it." By rejecting the status quo so forcefully, Clinton propelled

welfare reform to the top of the national agenda. And he guaranteed that inaction by Democrats and Republicans alike would be punishable by the electorate.

In his exhaustive (and at times exhausting) account, Weaver, a senior fellow at the Brookings Institution, explains why welfare reform came to pass in 1996 after decades of false starts. In doing so, he sheds light on one of the most important transformations in modern American liberalism.

First, Weaver notes, by the early 1990s welfare dependency was out of control. The rolls grew every month, except one, between August 1989 and October 1992. Out-of-wedlock births hit 68.7 percent among African-Americans and 24 percent among whites. On top of that, combined federal and state expenditures on welfare in inflation-adjusted dollars equaled the peak of the 1970s welfare explosion.

Second, groups across the political spectrum were bubbling with welfare policy options. Liberals called for incentives to "make work pay" and a focus on job training and drug rehabilitation. Conservatives pushed for time limits and "family caps" that would deny welfare to any child born to a mother on the rolls. And New Democrats advocated mandatory work requirements, aggressive child support enforcement, and sanctions for those who shirked

either responsibility.

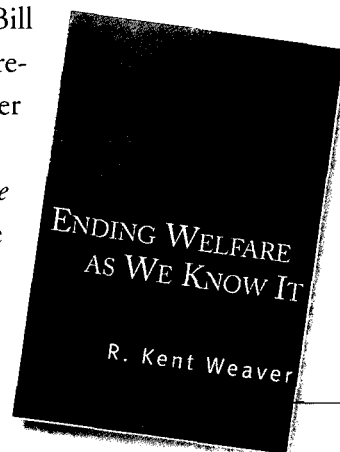
Third, the politics of welfare reform became very attractive. Some governors, notably Tommy Thompson in Wisconsin, showed that taking on the wildly unpopular Aid to Families with Dependent Children (AFDC) program could be a potent campaign issue.

Yet Weaver makes clear that welfare reform was not inevitable; it needed a forceful, national advocate. Enter Bill Clinton.

In 1992, candidate Clinton made his pivotal pledge to end welfare as we know it. Much has been written about his promise's political importance. But Weaver's book makes its policy importance clear. Clinton's pledge may have been the most consequential policy stance he took on any issue. By saying he would "end" AFDC, Weaver says, Clinton set the bar so high that he and Congress had to deliver.

"They're a new generation of Democrats, Bill Clinton and Al Gore, and they don't think the way the old Democratic Party did," one of their 1992 television ads explained to America. "They've called for an end of welfare as we know it, so welfare can be a second chance, not a way of life."

This argument became a centerpiece of the Clinton campaign. It helped him blunt charges that Democrats inevitably wasted taxpayer money on the "unde-



Ending Welfare As We Know It
by R. Kent Weaver
Brookings Institution • 352 pp.
• \$19.95

serving poor" and removed what Weaver calls a "race-tinged wedge issue" from the campaign. By September 1992, by almost 2-to-1 voters thought that Clinton would do a better job than then-President George H.W. Bush in "getting people off welfare."

Yet welfare reform immediately fell off the radar screen during the early years of Clinton's first term. Many New Democrats argue that if Clinton had only pursued welfare reform before tackling health care, the Republican Revolution of 1994 might never have happened.

Weaver, however, makes a strong case that pursuing welfare reform first could have been disastrous. If welfare reform had been pushed earlier when traditional Democrats ruled Congress, it most likely would have been bogged down and defined by liberal Democratic politics. Much like the 1994 crime bill, it would have generated enough horse-trading with the various parts of the Democratic Party to eventually undercut the policy's deep popularity.

The Gingrich Revolution brought welfare reform back to life as Republicans were eager to reclaim the political ground they lost to the New Democrats. The GOP moved aggressively to send a

welfare reform bill to the president's desk, but Clinton forced them to do so in the context of his original pledge to end welfare as we know it. Since anything less than ending the status quo would have been unacceptable to the public, Republicans, congressional Democrats, and Clinton all had to expand what Weaver calls their "zone of acceptable outcomes." Republicans moved toward the center to accommodate Clinton. Clinton gave way to the GOP on cutting off benefits to legal immigrants, aiming to win that fight another day. And most congressional Democrats felt they had to follow Clinton, as few wanted to be seen to the left of him on welfare.

Congress will revisit welfare this year when it reauthorizes the Temporary Assistance for Needy Families (TANF) program that replaced AFDC. But with the halving of welfare rolls, an increase in the number of children living with married parents, and the biggest drop in poverty rates since the Great Society, this will be a very different debate.

By putting work at the center of welfare, Clinton and his New Democrat allies helped restore Americans' faith in government and their willingness to help the poor. Indeed, without welfare reform, the progressive impulse to use government for the benefit of the entire commonweal would have remained faint.

With the economy in recession, the new welfare system faces the test that liberals have predicted would be its undoing. But having removed the venom from poverty policy debates, welfare reform has made it possible for policymakers once again to propose efforts to help struggling families. Perhaps now more than ever, this is no time for Congress to end welfare as we now know it. ♦

> **Kenneth S. Baer** is adjunct professor of government at Georgetown University and former senior speechwriter to Vice President Al Gore. He is author of *Reinventing Democrats: The Politics of Liberalism from Reagan to Clinton* (University Press of Kansas, 2000).

The immigrant second generation

> **by Tamar Jacoby** || The 60 million immigrants and their children who have settled in the United States since the 1960s now account for a full one-fifth of the population. They come from virtually every country in the world and range — in background and socioeconomic level — from Silicon Valley entrepreneurs to the unassuming, unskilled men now taking over as day laborers in every region of the country. Their number alone all but guarantees that they will transform America. But so far most people are still unsure what form that transformation will take — and whether it will be for good or for ill.

Even for those whose profession is studying the new Americans, the diversity of the group makes it a kind of Rorschach test: You can read almost anything you want into this vast and varied population. Optimists look at their ambition and energy — the Indian engineer or the mom-and-pop merchants transforming inner-city neighborhoods — and forecast a golden future. Pessimists fixate on those with the lowest skill levels — the Mexican farmhand with the sixth-grade education — and see only trouble ahead, for both the newcomers and the rest of us.

Alejandro Portes and Ruben Rumbaut are among the most highly regarded sociologists studying the new immigrants, a prolific team whose ideas and research have influenced just about everyone else working in the field. Some dozen years ago, after completing an important book on the first generation of newcomers, they realized in an inspirational flash that the people who really matter for the future are in fact the new arrivals' children. After all, those who made the trip from the old country are by definition transitional. It is their offspring, the second generation, whose successes and failures will set the mold for their ethnic groups, determining patterns that will last for generations to come.



LEGACIES: The Story of the Immigrant Second Generation
by Alejandro Portes
and Ruben G.
Rumbaut • University
of California
Press/Russell Sage
Foundation • 406 pp. •
\$ 19.95

More than a decade and many millions of dollars later, Portes and Rumbaut have completed several stages of what is still the definitive study of the second generation: an ongoing look at some 5,300 teenagers in San Diego and Miami. This massive research project, known as the Children of Immigrants Longitudinal Study, or CILS, has generated six books and countless articles by its two architects, their students, and others. It's a seminal work. But even so, reading the latest book, *Legacies: The Story of the Immigrant Second Generation*, it's hard not to feel that immigrant America is still something of an enigma, reflecting nothing so much as the preconceptions of those who try to predict its future.

The best way to understand *Legacies* is as two books — one an interpretation, the other a digest of data from the field. And though the two are not necessarily at war, their emphasis and implications



AN AMERICAN TALE: Though an ongoing study shows children of immigrants embracing American life, some cultures have adapted easier and quicker than others.

The immigrant second generation

are somewhat different.

The report from the field brings lots of good news, much of it buried deep in this dense, scholarly volume. The families of the teenagers studied are mostly of modest means, but they tend to be hard-working and stable, what were once called solid working-class people. Though they often settle in bleak minority neighborhoods and some of their children flirt — or worse — with underclass ways, on the whole the second generation is an inspirational success story. In both Miami and San Diego, in the ninth grade and later in the 12th, immigrant children work harder than their native-born classmates. (They average two hours of homework a night compared with the “normal” 30 minutes.) They also aspire to greater achievement, get better grades, drop out less (between a third and half as often) and expect only the best of their adopted country. (Nearly two-thirds believe that hard work and accomplishment can triumph over prejudice, and about the same proportion say there is no better country than the United States.) Perhaps most important, virtually all are adapting linguistically: Though nine out of 10 speak a foreign language at home, by the end of high school 98

percent speak and understand English well, and 88 percent prefer it to their parents’ mother tongue. If what matters is trajectory, by any measure they are outperforming their parents and appear to be set on just the kind of upward course that would spell success in America.

What this happy tale papers over is a vast diversity among groups — widely different scores, aims, and outlooks on just about every question a sociologist could think of asking. Some 80 percent of Filipinos live in intact families; among West Indians, the distressing figure is just half that. Nearly 90 percent of Chinese parents expect their children to finish college; only 55 percent of Mexicans do. The Hmong do far more homework than anyone else — two and three times what Hispanic kids manage. Nearly 45 percent of Latino youth sometimes use Spanish with their friends; less than 5 percent of any Asian group use an Asian language. And twice as many Vietnamese as Cuban youth show symptoms of serious depression. The list of variables goes on and on, and the disparities are startling, even within categories like Hispanic or Asian-American that many native-born naively think of as monolithic — to the point that any effort to generalize about the second generation looks at best half true and inevitably unreliable.

Still, Portes and Rumbaut are determined to do just that. It’s not that they

don’t recognize immigrant diversity. They do. Indeed, Portes invented the term “segmented assimilation,” which other sociologists now use to explain different groups’ different outcomes. But he and Rumbaut remain convinced that a single theoretical model can explain all the variation, and — even more startling — that there is a single, “right” way for all foreign children to adapt to American life: paradoxically, by *delaying* assimilation. In the authors’ view, the happiest and most successful of the second generation are not those who quickly learn American ways, who switch from their parents’ language to English and fit in seamlessly at school, but rather those who grow up under the umbrella of an ethnic community, nurtured by old-country customs and traditional mores.

The theory behind this prescription makes some intuitive sense: Kids who become too American too fast risk in effect outgrowing their parents, opening themselves to loneliness, depression, delinquency, poor school performance, and all that comes with it, while those who grow up guided by parental nurturing and discipline generally go on to do well. Nor in the last analysis are Portes and Rumbaut anti-assimilation: They see this interim phase, which they call “selective acculturation,” as just that — a phase — and they expect the third generation, if not the second, to metamorphose into full-fledged Americans.

The problem, as Portes and Rumbaut’s own data show, is that in practice less assimilated children don’t always do better. They enjoy little or no advantage over the more assimilated when it comes to school effort or dropout rates — perhaps the two most important variables in the life of a new American teenager. The Mexican second generation, one of the nationalities whose children remain closest to their parents, shows by far the poorest outcomes on all measures of school success. And even Miami’s Cuban youth, whose often middle-class, educated families tend to have been in the United States for many years, frequently seem as hobbled as they

are buoyed by the tightly knit, Spanish-speaking ethnic enclave in which they live. Something about this upbringing appears to dull their ambition, and a surprising percentage drop out of high school, taking low-level jobs in the Cuban community rather than beating a new path into the bigger, scarier world that is the American mainstream.

The authors discount much of this evidence or explain it in other ways, focusing instead on issues like “self-esteem” and its correlation with academic performance — and in the end they remain adamantly convinced that any path other than the one they recommend is harmful to immigrant children. To them, rapid acquisition of English is “language loss,” what others see as fitting in is “premature Americanization,” and the most effective methods of teaching English and American values are so much “forced-march acculturation.”

Of course, for most immigrant children the jury is still out. Those who participated in the CILS study are only now entering adult life, moving from home and school to the far more fateful decisions ahead. For some, no doubt, the Portes-Rumbaut prescription is the right one: a nurturing family orbit, the enveloping ethnic enclave, bilingualism, and a healthy dose of skepticism about American culture. Still, as any student of immigration knows, change and growth, and the loss that comes with them, are an inevitable part of the assimilation process — and in the end all the gradualism in the world may not effectively cushion the shocks. Besides, given the deep diversity that Portes and Rumbaut themselves report in second-generation America, it's hard to believe that any one path is the best or only answer for every immigrant child.

Portes and Rumbaut are surely right about one thing: By the third and fourth generation, immigrant families lose their trademark drive — the energy and entrepreneurialism that brought them here in the first place and that propels them upward wherever they settle. This isn't a tragedy; it merely means they are becoming more American. But it does

Academic follies

Taking a clinical approach to Middle Eastern studies is not always so smart.

by **Fred Siegel** In Martin Kramer's new book *Ivory Towers on Sand: The Failure of Middle Eastern Studies in America*, he shows that like the Sovietologists who ignored ideology, academic Arabists in the United States have all but ignored the power of Islamicist ideology. Academics were intimidated by Columbia English professor Edward Said, the leading apologist for Palestinian terrorism, who argued that “every European, in what he could say about the Orient, was a racist, an imperialist, and almost totally ethnocentric.” The upshot, argues Kramer, was that Middle Eastern studies departments hired more Middle



Ivory Towers on Sand: The Failure of Middle Eastern Studies in America
by Martin Kramer •
Washington Institute
For Near East Policy •
137 pp. • \$19.95

Easterners, qualified or not, and those who weren't of Arab descent did well to mind their P's and Q's. This means that the writings of Princeton's Bernard Lewis, one of the few who saw where radical Islam was leading, were dismissed. At the same time John Esposito of Georgetown, who was heavily financed by both the U.S. and Arab governments, became an academic star by insisting that Islamicism was peaceful and really just a movement for democracy in disguise.

Kramer concludes that our government has been wasting a great deal of money in funding blinkered Middle Eastern studies programs

Continued on page 70

suggest that the second generation faces a special window of opportunity.

Not all will succeed — or certainly not to the same degree. Some will succumb to the pathologies of their inner-city neighborhoods, allowing peer pressure to deter them from accomplishment. Others, even if they outstrip their parents, will still find themselves stuck on the bottom rungs of the American socioeconomic ladder. But if the good news in the CILS study carries

over in any measure into adult life, there can be little doubt that the lion's share will end up making the most of what the United States has to offer — benefiting themselves and their families but also the rest of us. ♦

♦ **Tamar Jacoby**, a senior fellow at the Manhattan Institute, is editing a volume of essays, *Reinventing the Melting Pot: How Assimilation Can Work for the New Immigrants*.

Academic follies

that are constantly caught behind the curve. The same charge can be made against much of academia, where the common wisdom about Sept. 11 is that we had it coming. This is the moment for academia to break out of its parallel universe and return to Earth. The vast gap between the reality of terror and the illusions of the postmodernists ought to be the occasion for widespread academic reform.

And it's not just in Middle Eastern studies that academia is a bankrupt enterprise. A few weeks ago I made the mistake of attending a seminar on crime and society organized by sociologists. At the meeting a professor from John Jay College of Criminal Justice in New York City explained, with utter certainty, that the "broken windows" policing imposed by Mayor Rudy Giuliani and former Police

focusing too much on far-fetched horrible scenarios."

Is this unfair? Have I chosen two offbeat examples to tar all of academia? Not really. While there are still many academics who do work worth reading, the group as a whole has been suffering from a long-term unmooring from reality. In 1937 the great Austrian writer Robert Musil, who had anticipated a *götterdämmerung*, wrote about the irrationality of German academics. He said they had mastered the "higher pretentious form of stupidity."

The irrationality Musil feared is alive and well on college campuses where the reigning German-derived postmodernism refuses any standard of judgment other than whether an argument can be deemed "subversive." Thus the prestigious Cornell University Press published *Aliens in America: Conspiracy Cultures from*

The editors of *Social Text*, a leading postmodernist academic journal, published the article only to later find out that it was a parody written to explode their institutionalized irrationality. Unapologetic, the journal still publishes, and it still publishes the same kind of postmodernist articles.

If there is no truth, no right or wrong, and if the empirical world is just a linguistic construction, then as with the O.J. Simpson jury, everything boils down to a difference in points of view.

Academia is saturated in a variety of post-1968 ideologies that drive its "research." In education the researchers claimed to prove that "whole language study" — eliminating the teaching of grammar on the grounds that it was arbitrary and authoritarian — swept some of the West Coast schools of education. Instituted in California, it was disastrous as reading scores plummeted. The Harvard bilingualists, close cousins of the whole language people, insist that children learn language best after the age of 12. Well,

this is academia; you can say anything as long as it's not politically incorrect.

Criminologists were convinced that crime couldn't be cut, sociologists were sure that welfare reform couldn't work because it didn't go to the root causes, and Sovietologists like Jerry Hough were sure that the USSR of the 1980s had matured into a successful, pluralistic society. While most of academia had become ideologically saturated, Soviet studies were the exception. In the one realm where ideology was at the core of things, ideology was dismissed. The upshot is that the Sovietologists couldn't explain the fall of the USSR even after it happened. ♦

Fred Siegel is culture editor of

BLUEPRINT.

While there are still many academics who do work worth reading, the group as a whole has been suffering from a long-term unmooring from reality.

Commissioner William Bratton "had had nothing to do with the drop in crime. Nothing." What explains the decline? I asked, half-relieved that the speaker had gone so far as to admit that there was a sharp decline.

The decline of crime, he told the seminar, was "a function of the city's increasing ethnic diversity," or, to put it differently, "the decline in the white percentage of the population." Oh.

The John Jay professor is not alone. A few miles up the Hudson River, Professor Fawaz Gerges of Sarah Lawrence College has made a name for himself by attacking what he describes as a "terror industry" that exaggerates the terrorist threat to American citizens. His most recent book accuses "the industry" of creating an "irrational fear of terrorism by

Outerspace to Cyberspace, by Jodi Dean, a political scientist at Hobart and William Smith Colleges and the author of a book on feminist theory. Far from providing an exposé, Dean's book dismissed the problem of how the aliens might have gotten here. Based purely on the testimony of those who claimed to have been abducted, she argues that UFO reports are to be believed because they are "a political act" that "contests the status quo."

In 1996 physics professor Alan Sokal, a self-described rational leftist, decided to "contest" the postmodernist status quo. He wrote an essay entitled "Transgressing the Boundaries: Towards a Transformative Hermeneutics of Quantum Gravity." It claimed to show that gravity was merely a literary concept, just a linguistic construction.

How Americans feel about

Politics after Sept. 11

The war on terrorism has changed everything. Voters view Republicans as more trustworthy on such toughness issues as fighting wars, controlling crime, and fiscal discipline. They trust Democrats more on compassion-and-caring issues like health care, Social Security, and the environment.

There's both promise and peril in this new political terrain.

> by **Mark J. Penn**

In the wake of Sept. 11, American politics has clearly moved onto new terrain. Not surprisingly, with our country at war against terrorism and with troops on the ground in Afghanistan, making America safe now dominates the voters' political agenda. Domestic issues that predominated only months ago have moved to the backburner. These are the findings of a new national poll conducted in mid-November for the Democratic Leadership Council by Penn, Schoen & Berland Associates.

With these shifts, voters' perceptions of the two parties have reverted to the patterns that prevailed before the election of President Bill Clinton in 1992. Americans trust Democrats on compassion-and-caring issues, such as the environment, health care, Social Security, Medicare, and ensuring opportunity for all. However, they trust the Republicans on the toughness-to-govern issues such as national security, defense, and fighting terrorism — the issues that voters now rate as most important. They also trust Republicans more on economic growth, fiscal discipline, crime, and welfare — issues on which Democrats had made sub-



NEW WORLD, NEW WAR: In a time of security concerns, Americans trust Republicans in the White House. But they want Democrats to control Congress and the governorships.

stantial gains during the Clinton years.

In generic head-to-head contests in our poll, voters not surprisingly preferred a Republican president. But they said they preferred that the Democrats control the Congress and their states' governorships. That, too, is the pre-Clinton pattern.

> **Mark J. Penn** is president of Penn, Schoen and Berland Associates Inc., and was pollster to President Clinton. Research and polling assistance provided by **Jay Leveton**.

Seen through the prism of the poll, this new landscape holds both promise and peril for Democratic electoral prospects. Despite voters' overwhelming support for President Bush, they would rather see Democrats lead Congress. While supporting the president, voters also gave Democrats unprecedented approval ratings for their actions since Sept. 11 and would prefer a Congress that checks the president's tendencies on domestic issues. That bodes well for Democratic prospects in the mid-term elections.

But the peril is also clear: With security issues now dominant, a Democratic presidential candidate will have to cross a national and domestic security threshold in 2004 for the first time in more than a decade.

The poll, conducted Nov. 19-21, 2001, among 800 registered voters (margin of error 3.6 percent, larger for subgroups), sought to understand the mood and priorities of the American electorate after the Sept. 11 terrorist attacks and examine its implications for the two parties in 2002 and beyond.

The highlights of the survey include:

- **There has been a major shift in the issues facing the country and the Democratic Party**, from a previous emphasis on education and health care to a new emphasis on fighting terrorism, keeping America safe, and strengthening the economy. At this stage in the war on terrorism, Americans have greater confidence in the Republican Party, and in President Bush in particular, than in the Democratic Party to lead that effort. Republicans are slightly favored when it comes to providing economic leadership and strongly favored on "caring about economic growth."
- **There has been a major shift in the way the parties are viewed.** They now represent a clear contrast of priorities and strengths. As a consequence, the electorate does not strongly prefer one party. The public turns to the Democrats to lead on those priorities that require compassion and caring such as health care, the environment, and entitlement programs. The public turns to the Republicans for leadership on the issues that require toughness and fiscal restraint, such as terrorism, national security, and taxes.
- **By supporting the president's efforts in the war against terrorism, the Democrats have been able to focus on issues like strengthening the economy.** On non-security issues, voters are looking for leaders who will act as a check on President Bush, and Democrats are well positioned to fill that role. This has put the Democratic Party in good shape for the 2002 elections.
- **Any Democratic alternative to President Bush needs to prove not only that he supports the president's war on terrorism, but that he is also capable of managing national security issues.** Given the president's unique responsibility for conducting foreign policy and providing for national security, the weakness of Democratic credentials in these areas represents a threshold challenge for the next Democratic presidential nominee in 2004.
- **Since Sept. 11, Americans have been looking for ways to serve their country and think the federal government should create avenues to allow citizens to do so.**
- **The Republican philosophy of "no government" is in ruins, as huge majorities support an activist government that promotes economic growth and gives people the tools they need to succeed.** While most voters still do not favor more costly government services, they no longer think government has too much power.
- **There are more independent voters than either Democrats or Republicans.** The 2002 and 2004 elections are likely to be decided by an enormous group of swing voters who make up more than a quarter of the electorate. These key swing voters tend to be heavily independent. They tend to live in the suburbs, have middle class incomes, be married, have children, be between 35 and 50 years old, and are wired workers, not union members.

The Poll

Governing After Sept. 11

The charge to government leaders from the American electorate is clear: focus on making America safe, fighting terrorism, and getting the economy growing again. This cuts across all party lines and swing voters. While the Democratic issue strengths of education and health care were the top concerns six months ago, they are now dwarfed by these two issue giants.

Q. What is the highest priority for government today? (1st and 2nd choices combined)

	ALL	DEM	REP	IND	SWING
Making America safe	53	55	55	48	52
Fighting terrorism	49	44	52	49	52
Getting the economy growing again	46	50	53	42	49
Improving education	25	25	16	30	30
Improving health care	15	17	18	17	15
Giving people a chance to serve their country	6	4	9	7	6

In a follow-up question, voters were asked to rate terrorism against a list of specific issues Congress could address. They included Democratic issue strengths of prescription drugs, HMO reform, and raising the minimum wage. The responses further underscored voters' desire to make protecting them from terrorism the highest priority. Nearly three-quarters (72 percent) of Republicans said terrorism is their top priority, and a majority or near-majority of Democrats (50 percent), Independents (46 percent), and swing voters (50 percent) agreed. Democrats must readjust to bring terrorism and defense into their issue portfolio. The three non-terrorism issues combined only garnered 40 percent of votes.

Q. Which of the following priorities for Congress is most important to you?

	ALL	DEM	REP	IND	SWING
Protecting against terrorism	54	50	72	46	50
Reducing the cost of prescription drugs	16	19	11	16	18
Reforming HMOs	14	15	9	17	16
Raising the minimum wage	11	10	4	18	13

Standing of the Parties on Issues and Values

In the poll, we asked respondents to rate which party in Congress they trust more to handle a series of issues, the Republicans or the Democrats. We also asked voters the same comparative questions regarding President Bush and the Democrats in Congress. The results show Democratic strength relative to both congressional Republicans and President Bush on protecting the environment (+36, +29), strengthening Medicare (+28, +19) and Social Security (+18, +15), and expanding health care coverage (+25, +17). When compared to congressional Republicans and President Bush, the Democrats lagged significantly on

the issues of national security (-24, -43), protecting Americans from terrorist attacks (-28, -56), fighting terrorism (-30, -48), and strengthening the military (-37, -60).

Notably, while the congressional Republicans are viewed as better able to provide leadership on the issues of national security, protecting Americans from terrorist attack, and strengthening the military, the president's advantages — when compared to congressional Democrats — are significantly greater.

The battleground issues — in which both Democrats in Congress and Republicans in Congress are closely matched with President Bush — improving education (+1, -1), moving people from welfare to work (-3, -6), preparing Americans for the new economy (+1, -13), and asking people to give something back to their country (-5, -22).

When it comes to “maintaining fiscal discipline” and “getting the economy growing again,” Republicans in Congress and President Bush hold near double-digit leads among all voters (-9, -15), (-8, -14) and increase that lead with swing voters. These numbers also represent a decline back to pre-Clinton levels for the Democratic Party on economic issues — just as the economy heads into recession and the budget heads back to a deficit. The economy will likely dominate the political debate for the foreseeable future.

National Democrats have fallen back into their traditional pattern of the 1970s and 1980s in which they are trusted only on the compassion and caring issues (environment, health care, entitlement programs), and Republicans dominate on the toughness-to-govern issues (national security, defense, terrorism, and fiscal responsibility).

Q. Now I am going to read a list of issues. For each, please tell me who you trust to handle that issue — Democrats or Republicans in Congress? (Dem/Rep)

	ALL	DEM MARGIN	SWING	SWING MARGIN
Protecting the environment	60/24	+36	57/17	+40
Strengthening Medicare	56/28	+28	58/16	+42
Expanding health care coverage	53/28	+25	52/20	+32
Strengthening Social Security	51/33	+18	47/30	+17
Working for gun safety	45/37	+8	40/32	+8
Energy policy	41/36	+5	32/35	-3
Improving education	43/42	+1	40/33	+7
Preparing all Americans for the New Economy	40/39	+1	35/34	+1
Moving people from welfare to work	41/44	-3	37/41	-4
Asking people to give something back to their country	36/41	-5	31/33	-2
Getting the economy growing again	37/45	-8	31/44	-13
Maintaining fiscal discipline	35/44	-9	24/38	-14
Fighting crime	33/46	-13	29/39	-10
National security	31/55	-24	25/49	-24
Protecting America from terrorist attack	25/53	-28	18/52	-34
Fighting terrorism	25/55	-30	18/54	-36
Strengthening the military	25/62	-37	19/62	-43

Q. Now I am going to read a list of issues. For each, please tell me who you trust to handle this — Democrats in Congress or President Bush? (Dem/Bush)

	ALL	DEM MARGIN	SWING	SWING MARGIN
Protecting the environment	59/30	+29	63/22	+41
Strengthening Medicare	53/34	+19	55/27	+28
Expanding health care coverage	51/34	+17	54/25	+29
Strengthening Social Security	53/38	+15	53/33	+20
Energy policy	49/36	+13	53/26	+27
Working for gun safety	48/38	+10	41/36	+5
Improving education	44/45	-1	36/46	-10
Moving people from welfare to work	41/47	-6	37/43	-6
Preparing all Americans for the New Economy	35/48	-13	23/50	-27
Getting the economy growing again	36/50	-14	27/47	-20
Maintaining fiscal discipline	35/50	-15	29/52	-23
Asking people to give something back to their country	32/54	-22	27/52	-25
Fighting crime	31/57	-26	27/57	-30
National security	23/66	-43	19/65	-46
Fighting terrorism	20/68	-48	13/70	-57
Protecting America from terrorist attack	16/72	-56	13/71	-58
Strengthening the military	16/76	-60	14/76	-62

Values Attributes

We also asked respondents to rate the major parties in terms of a series of values statements. The results show Democrats performed best on increasing opportunity (+19), increasing choices available to all Americans (+16), and strengthening communities (+13). But the Republicans lead when it comes to being concerned about economic growth (-15) and demanding responsibility from all (-18). These deficits worsen among swing voters, those voters who are undecided on the generic congressional ballot.

Q. Now I am going to read a list of phrases. For each, please tell me who you trust to handle that — Democrats or Republicans? (Dem/Rep)

	ALL	DEM MARGIN	SWING	SWING MARGIN
Works to increase opportunity for all	52/33	+19	52/26	+26
Works to strengthen our communities	47/34	+13	42/32	+10
Works to increase choices available to all Americans	49/33	+16	38/30	+8
Works to make it easier to raise my children	45/37	+8	39/33	+6
Willing to work with the other party	40/30	+10	30/26	+4
Shares your values	41/43	-2	36/38	-2
Represents the special interests	39/44	-5	36/42	-6
Stands up for what they believe	38/40	-2	31/39	-8
Is patriotic	24/41	-17	23/32	-9
Honest	22/36	-14	15/32	-17
Makes me feel safe	31/45	-14	22/44	-22
Is concerned about economic growth	34/49	-15	22/49	-27
Demands responsibility from all	32/50	-18	24/48	-24

2002 and 2004 Implications

Voters were asked to state their preference on the generic ballot for president. The results show a preference of 41 percent to 36 percent for a GOP candidate over a Democratic candidate. The perceived weakness of Democratic security credentials results in a Republican preference for president and a potential return to the pattern of the 1970s and 1980s, when the public voted for Republican presidents and Democratic state and national legislative leaders.

Q. Given the times would you rather have a Republican or a Democrat as president? (Rep/Dem)

ALL	DEM	REP	IND	SWING
41/36	14/71	82/17	35/31	33/27

Americans currently prefer a Democratic majority in Congress, which reflects the Democratic strength on domestic policy. They expect the Congress to support the president in the war effort.

Q. Given the times would you rather have a Republican or a Democratic majority in the Congress? (Rep/Dem)

ALL	DEM	REP	IND	SWING
36/44	8/80	76/13	32/38	26/35

While voters strongly support the job President Bush is doing, they also want Congress to serve as a check on the president. Americans expect Congress to address the non-war-related issues in the same deliberative manner as they did in peacetime. This applies to the economic stimulus bill as well as the debate last fall over federalization of airport screeners, when voters supported the Democratic position.

Six in 10 Americans (58 percent) said they wanted their representative to be a check on President Bush, including 63 percent of Independents and 59 percent of swing voters. Even more than a third of Republicans (38 percent) favored a check, despite giving Bush a 99 percent job approval rating. The electorate's desire for this check on presidential power leaves Democrats well positioned for the 2002 elections.

Q. Do you want your representative in Congress to be someone who will be a check on George W. Bush or someone who will vote down the line with George W. Bush?

	ALL	DEM	REP	IND	SWING
	58/31	71/19	38/52	63/26	59/25

Voters say they generally prefer to have a Democratic governor, which underscores how the responsibilities of that office are viewed as different, and less security-oriented, than those of the office of the president.

Q. Given the times would you rather have a Republican or a Democratic governor? (Rep/Dem)

	ALL	DEM	REP	IND	SWING
	36/44	8/80	78/9	29/39	26/36

National Service

Voters are looking for a way to contribute to the nation and support efforts by the federal government to facilitate such efforts. This is true across all party lines.

Q. Do you support or oppose efforts by the federal government to encourage increased community and national service among Americans?

	ALL	DEM	REP	IND
	81/10	81/11	86/4	79/12

Voters strongly support giving scholarships to citizens who will serve as police officers, firefighters, or civil defense workers. They would also like to see the government make it easier to make philanthropic contributions and favor a dramatic expansion of the national service program. Voters are more divided over the issue of a *mandatory* three-month basic training program for 18-year-olds for either civilian or military basic training. But they favor a draft that gives people a choice between civilian and military service.

Q. Do you support or oppose the following national service proposals? (Strongly Support, Support/Oppose)

Giving college scholarships to people who agree to serve as police officers, firefighters, or in civil defense	40	75/24
Making it possible for people who do not itemize on their tax returns to receive a tax deduction for charitable donations	40	72/23
Requiring all graduating high school students to complete a certain amount of hours of community service to receive their diploma	38	62/37
Dramatically enlarging America's national service program	32	70/21
Requiring all 18-year-olds to attend a three-month session of basic training for civilian or military service	31	49/48
Instituting a new kind of draft that gives people a choice between civilian or military service	30	60/29

Role of Government After Sept. 11

Americans still express a strong preference for an activist style of government that helps equip people to solve their own problems. Because they expect government to make them safe, they are less likely to express concern over the extent of government power than they were only one year earlier. This situation shows that the Republican "no-government" positioning is in total ruins. Seventy percent of voters are looking for an activist government, a slight uptick from last year.

Q. Do you favor an activist government or rather a government that is not particularly active?

	JAN 2000	DEC 2001
Activist government	65	70
Not particularly active	28	20

There is still a strong majority (54 percent) of voters who want a government that equips people to solve their own problems; the Sept. 11 attack has not changed this belief.

Q. Which of the following is closest to your own thinking about the proper role of the federal government?

	JAN 2000	DEC 2001
Government should solve problems and protect people from adversity	15	20
Government should help people equip themselves to solve their own problems	53	54
Government should stay out of people's lives so they can solve their problems without interference or regulation	30	23

The Sept. 11 attacks have changed people's opinions about government power. Last year, 50 percent of voters thought the federal government had too much power; this number has dropped dramatically, to less than one third (30 percent). Now two thirds of voters say the government is using the right amount or should use its power even more vigorously.

Q. Which of these statements comes closest to your view about government power today?

	JAN 2000	DEC 2001
The federal government today has too much power	50	30
The federal government is now using just about the right amount of power for meeting today's needs	31	41
The federal government should use its powers even more vigorously to promote the well-being of all segments of the people	17	26

A majority of voters want less government even if it means fewer services.

Q. Thinking about your city and county government, do you want more government services now even if it means higher taxes, or less government even if that meant fewer services?

ALL	DEM	REP	IND
39/51	51/44	23/65	39/50

The Swing Voters

Many of the swing voters who decided the 1996 and 2000 presidential elections are still the swing voters of today. Suburban voters, white women, wired workers, and Independent voters are still the key to making the Democratic Party the majority party for many years to come.

Q. If the election for Congress were held today, would you vote for the Democrat or Republican to represent you?

	DEMOGRAPHIC % OF ELECTORATE	DEMOCRATIC VOTE	REPUBLICAN VOTE	DEM MARGIN
White females	39%	38	34	+4
35-60K earners	26%	38	37	+1
Union – No	81%	37	37	0
Independent	38%	28	29	-1
Child at home	37%	37	38	-1
White Catholics	18%	37	38	-1
Wired workers	25%	33	35	-2
Suburban dweller	28%	35	38	-3
35-50 years	29%	34	38	-4
Caucasian	79%	33	38	-5



Clintonism lives

he right wing never seems to give up bashing Bill Clinton or glorifying Ronald Reagan. Their beat goes on and on. Rush Limbaugh, the right wing talk show host, still rants about President Clinton.

A band of Republicans in Congress led by that right-wing stalwart, Rep. Bob Barr of Georgia, is constantly looking for new things to rename as memorials to President Reagan.

Now I have nothing against President Reagan. In fact, though I disagreed with him, I rather admired him. But there's no drumbeat for President Clinton's legacy despite the fact that he led our country to eight years of progress and prosperity. So you'd hardly guess that Reaganism is on the wane and Clintonism is alive and well in American politics.

But that's the reality.

Think about it. The Reagan formula — big tax cuts, cultural conservatism, and anti-government rhetoric — carried Republican candidates for most of the last two decades. But it has become increasingly out of date since the mid-1990s and seems hopelessly outdated since Sept. 11.

In contrast, Clintonism remains the formula for political and economic success in the first decade of the 21st century. In the simplest terms, Clintonism stands for economic growth and opportunity; for fiscal responsibility; for work, not welfare; for preventing crime and punishing criminals; and for non-bureaucratic, empowering government. It promotes cultural tolerance, inclusion, a sense of community, and an ethic of mutual responsibility by asking citizens to give something back to their country.

The key elements of Clintonism define today's political landscape. No less a Republican than Sen. John McCain has become the leading advocate for legislation that would expand the AmeriCorps national service program, the cornerstone idea of the Clinton administration (DLC Chairman Evan Bayh is the bill's chief co-sponsor). Other legacies of Clintonism are evident in communities across the country: the hundreds of thousands of community police officers now walking neighborhood beats and the explosion of charter schools.

The political power of Clintonism was evident in the 2000 election campaign when President Bush tried unabashedly to copy Clinton's New Democrat formula with his mantra of "compassionate conservatism." In one speech, Bush even implied that on many issues he was closer to the DLC than was Vice President Gore.

The dominance of Clintonism was borne out again in the 2001 elections in Virginia and New Jersey, where New Democrats

wrested control of the statehouses after years of Republican domination.

In both states, the Republican candidates ran as Reagan disciples. Both made taxes and cultural conservatism the centerpieces of their campaigns. Both tried to label their Democratic opponents as old-style tax and spend liberals. Both failed miserably — and found themselves to the right of the political mainstream.

The successful Democratic candidates — Mark Warner in Virginia and Jim McGreevey in New Jersey — both ran centrist, New Democrat campaigns. Both emphasized economic growth and fiscal discipline. Both occupied the political center on social and cultural issues. Both called for a constructive, empowering role for government — Warner emphasizing education and vocational training and McGreevey focusing on education and quality of life issues. The result: both captured the vital center of the political spectrum. In New Jersey, exit polls showed 60 percent of the voters were self-identified moderates — and McGreevey won nearly 60 percent of them.

Warner hammered at the need for fiscal discipline in the face of mounting deficits under his Republican predecessor. He also neutralized the gun issue, though, in the end, the National Rifle Association endorsed his opponent. But the secret weapon that won him votes in traditionally Republican areas was a quintessential New Democrat message: his pledge to bring the jobs of the New Economy to Southside and Southwest Virginia.

McGreevey's message was key to his victory. Exit polls showed that voters who believed leadership and personal qualities were most important supported his opponent. But 71 percent of New Jerseyites voted on the issues — and they went for McGreevey by a whopping 20 points. He neutralized the tax issue, won voters most concerned about the economy, and wiped up on education, auto insurance, and crime.

The most recent elections were not the first time that Clintonism trumped Reaganism in gubernatorial races. It has been the pattern since 1998 — when Democrats across the country began running on the Clinton-New Democrat formula. That formula helped Gray Davis win in California. And it's why Democrats now hold the governorships in states stretching from Virginia to Mississippi that most political experts had ceded to the Republicans.

The bottom line is this: Reaganism may be getting the memorials, but Clintonism is reshaping American politics. Rush Limbaugh's rants and Bob Barr's raves won't change that. ♦

▶ **Al From** is founder and CEO of the Democratic Leadership Council.

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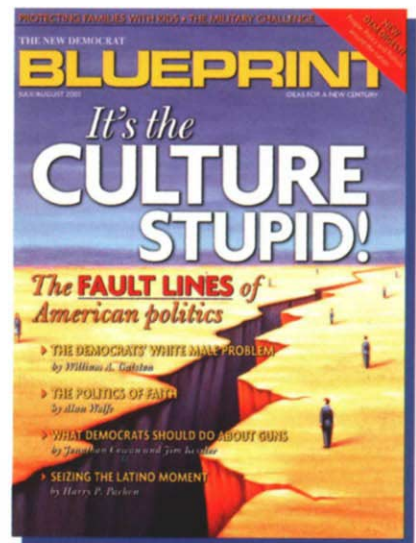
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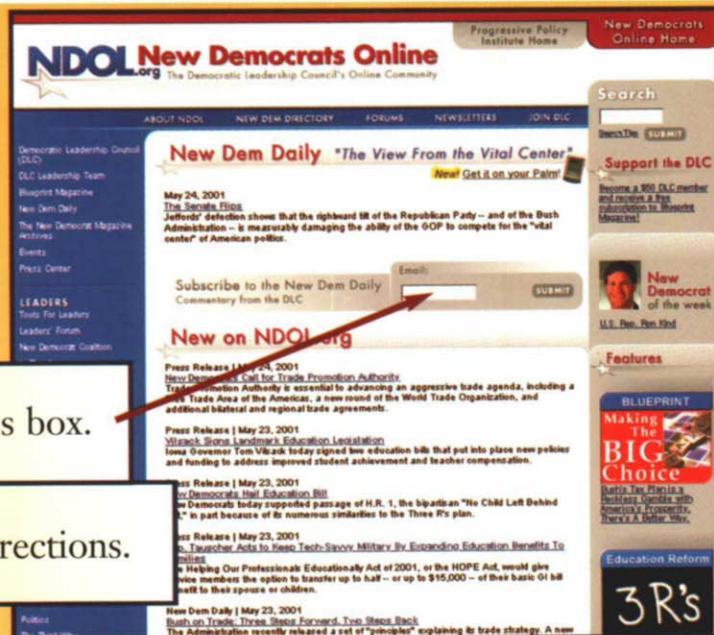
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